

Serbia exclusive: Mining minister Bacevic explains South Stream issues in Serbia, assets and oil company development strategy not in line with Gazprom

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Serbian President Tomislav Nikolic in Russia did not criticize the Government of Serbia, and the press has created nervousness, which has not been present in Moscow, explained Milan Bacevic, Minister of Natural Resources, Mining and Spatial Planning and co-chairman of the Committee for Cooperation with the Russian Federation, who was part of the Serbian official delegation. According to him, Nikolic in Moscow noted that there are some things in the Energy Treaty to be better defined.

He said that if there were some inconsistencies in the government, it can be repaired, and that's all, said Bacevic.

He explained that the Russian side had four specific objections and all were referred to the Department of Energy, and the Director Gaspom Neft Alexander Dyukov quoted them.

The first was about the debt of Srbijagas of 225 MEUR for the supplied gas.

We have proposed to settle the debt through Petrohemija and beat the debts so that they become the majority shareholders of the company. We expect a response in mid-December, said Bacevic.

Gas agreement, the assets of NIS and Development Strategy

Another criticism concerned the Russians specific property to which NIS is entitled, and which now also claimed Transnafta and Srbjgas.

Gazprom Neft believes that these companies do not have the rights to that property.

These are plots and buildings, the value of which is not yet defined, but it is certainly great, said Bacevic.

The third problem concerns the government's Strategy Papers of NIS development until 2015, which the Russian side in the talks in Moscow described as interference in the policies of management, and it was agreed that two Ministers of Energy find the solution.

The fourth misunderstanding concerns the implementation of the gas agreement, that is attempt of the Ministry of Energy to modify it, to which, according to the words of Bacevic, the Russian side does not agree.

As he explained, it refers to the requirements of the Minister Zorana Mihajlovic to round up

rents, which is now three percent, and to remove intermediaries in gas imports - Jugorosgas and RST.

The main point of disagreement between his ministry and the Ministry of Energy has just mineral rents, Bacevic explained, noting that the claim of Mihajlovic is true that mining rent of three percent is low and that for that we are losing 25 MEUR per year.

On the other hand, says Bacevic, Serbia does not pay penalties for undrawn amounts of gas, which would amount 200 to 300 MEUR per year.

What was the Minister doing in the Insider?

Bacevic stressed that Russia also objected to the show Insider and the participation of Minister of Energy in it.

How is it possible that in Serbia goes one TV series, which, in their estimation, directly destroys South Stream, and that state officers, who should respect the agreement, participate in it.

According to the Russian side, the agreement should be obliged even to those who oppose it, Bacevic said, adding that the business through a subsidiary companies is normal for Gazprom.

When asked why he did not help the Minister of Energy in her efforts to improve the energy agreement, Bacevic said he did not agree with her about it, and that her efforts "can only spoil our relations with Russia or suspend South Stream, which we do not want."

Referring to the allegations of Russian analysts that Minister of Energy sabotages South Stream, Mining Minister pointed out that neither Mihajlovic nor any other minister can't stop the South Stream project.

Does she personally support this project, I can't judge, but I know that she will carry out the same as I do.

She will be an active player in the implementation of this project, as it is in the description of her work, said Bacevic.

He rejected claims that the war between him and the Minister of Energy is simmering in which she has the support of Vucic, and he the support of Nikolic, claiming that no one published such war, but one can only see it in media.

Responding to comments that Serbia did not have its representatives in Moscow, because there everyone represented the interests of Russia, Bacevic said that Nikolic's constitutional obligation was to comply with international agreements, which the country has signed.

Energy Agreement is in the interest of Serbia, and if anyone attacks me saying that I'm pro-Russian minister, they can continue as much as they want. I will defend it always, said

Bacevic.

He said that does the possibility of parliamentary elections in the spring of 2014 are not excluded in order to get a government that can deliver better economic results, and he added that the Serbian Napredna Party welcomes Vuk Jeremic, who successfully defended Serbian interests.

Source; Serbia Energy