

B92 Tv show Insider reveals that sales of the Oil Industry of Serbia for 400 MEUR, with the obligation to invest 500 MEUR, meant, among other things, selling the rights to use the state's oil and gas reserves. The documentation which was analyzed by Insider shows that Serbia has proven reserves of 10.5 million tons of oil and 4.35 billion cubic meters of gas. According to current oil prices of around \$ 100 per barrel, the value of domestic oil reserves is around \$ 7.8 billion. Regarding gas, according to prices at which NIS sells domestic gas to Srbijagas (371 dollars per 1,000 cubic meters), the domestic gas reserves are now worth about \$ 1.6 billion. This means that the total value of domestic proven oil and gas reserves is around \$ 9.4 billion, or about 7 billion euros.

Gazprom didn't get only to use oil and gas worth 7 billion euros, but is also privileged when it comes to paying taxes and rent for the extraction of these reserves. This position is enabled to this majority foreign company by the Energy agreement, for which the government of DS, DSS and G17 Plus is responsible, while neither the current government led by SNS and SPS has done anything to change that.

"Serbia has nearly the lowest percentage of mining rent in the world. Starting from Albania which has 12 percent, with 10 percent of Slovenia, Croatia also around 10 or 12 per cent, Hungary, where it is progressive, here is three percent. And now mineral rent is not the responsibility of the Ministry of Energy, but, unfortunately, in the other ministry. Ministry of Mines", said Zorana Mihajlovic, the Minister of Energy.

"Here they are encouraged to push it out of land as soon as possible, by paying only a fee of three percent, before rising to some normal level. I do not know if any other country has such a low fee for exploitation", said Milan Kovacevic, the consultant.

Source; Serbia Energy/B92