

Serbia: GazpromNeft NIS delays mining rent fees payments?

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Date : January 29, 2015

GazpromNeft managed Oil Industry of Serbia (NIS) pays less and less on behalf of mining rents to Vojvodina and local governments, although official reports indicate that the company simultaneously increases the volume of domestic oil and gas production , writes Vojvodjansko-istrzivacki centar (VOICE), referring to the documents.

According to the Provincial Secretariat for Energy and Mineral Resources, NIS paid 1,8 MEUR in Vojvodina budget in 2014th based on the mineral resources exploitation in the territory of Vojvodina, while in 2013th on the same basis the company paid 1,9 MEUR and 2,2 MEUR in 2012th .

On behalf of mining rent 9, 2 MEUR was paid to Vojvodina local governments in 2014th, 9, 6 MEUR in 2013th, while in 2012th NIS paid 11MEUR to these levels of government.

At the same time, NIS earned about 2 billion EUR in the past three years from the sale of Vojvodina resources, while it paid a total of 66 MEUR to Vojvodina and its local governments during this period.

In the year when it paid about 11 percent less amount of ore rent, or in 2013th, NIS increased the volume of production of domestic oil and gas production by two percent.

NIS has a privileged position in Serbia, and, instead of legally defined seven percent for the mineral resources exploitation, the so-called mining rent, pays three percent on the basis of "Energy Agreement" between Serbia and Russia.

Law on Mining and Geological Research predicts that, when exploitation of mineral resources is performed on the territory of Vojvodina, 40 percent of generated funds represent revenue budget of Serbia, the same is revenue of local government budget on whose territory is being exploited, ten percent is the revenue of Vojvodina budget and the same is own income of Ministry of Mining and Energy.