



It wouldn't be strategically good move to increase crude oil and gas mining rent to NIS, says Mihailo Vesovic. "The majority owner of NIS oil company of Serbia GazmpromNeft's investment level in modernization of Pancevo refinery and investments in modernization of retail network are more important for our economy that mining rent can have on budget inflow", say Vice President of Serbian Chamber of Commerce.

According to his words, investments in NIS modernization where refinery in Novi Sad will become GazmpromNeft's base for base oils production are meaningful for Serbian industry because all this building and servicing business hires Serbian companies mostly.

"We know that it is very hard to get business that will hire domestic capacities which will be paid on time", says Vesovic, commenting the fact that there are different attitudes about further refund payment to NIS for crude oil and natural gas exploitation within government members, political and expert public.

Indicating that if Serbia insists on mining rent increase from 3 to 7%, NIS i.e.

GazmpromNeft could decide to decrease investments, Vesovic points the question: "Is mining rent tax or additional cost for the company (NIS in this case)"?

We should be very careful and have intention to gain better results for Serbian state and industry in defining this answer, according to Vesovic, President of the National Petroleum Committee of Serbia.

"This company started to position on Serbian market since Russian came in NIS, but GazmpromNeft as mayor owner announces regional expansion. Although, it is in mayor ownership of Russians, NIS is Serbian company and it is good that one of our companies crossed borders and does successful business in surrounding countries", says Vesovic and adds "We should decide on examples of others, investment ambient should be attractive because in lack of investors we have to think how to gain upon some".

*Source Serbia Energy Magazine*