



8-1(1) Program of Progress Workshop

JICA Mining Master Plan Study Progress Workshop

- From State Ownership to Private Sector Management -



May 25, 2007 10:00-14:00 at "Nikola Tesla Conference Room"
Kneza Milosa 9, Belgrade
Tel : 011-3230-067

- | | | |
|-----------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|--------|
| 1. Greeting | <i>His Excellency, Dr. A. Popovic, Minister of Energy and Mining</i> | 5 min |
| | <i>His Excellency, Prof. Dr. Miladin Avramov,</i> | |
| | <i>General Secretary Ministry of Environmental Protection</i> | 5 min |
| 2. Support for Serbia from the Japanese Government | | |
| | <i>His Excellency, Mr. T. Nagai, Ambassador, Embassy of Japan</i> | 5 min |
| 3. JICA's Balkan Policy | | |
| | <i>Mr. M. Shikano, Resident Representative, JICA Balkan Office</i> | 5 min |
| 4. The World Bank's Role in the Serbian Mining Industry and Future Outlook | | |
| | <i>Ms. C. Jungr, Country Manager, World Bank</i> | 15 min |
| Coffee Break | | 15 min |
| <u>Part 1: Correspondence to the Changing Climate of Mining Industry</u> | | |
| 5. The Mineral Resources and Mining Industry of Serbia | | |
| | <i>Mr. Z. Teodorovic, Head of Mining and Geology Division, Ministry of Energy and Mining</i> | 10 min |
| 6. The Serbian Mining Sector and the Changing Global Mining Industry | | |
| | <i>Mr. Y. Nishikawa, JICA Team Leader</i> | 20 min |
| 7. Issues with Adopting EU Environmental Standards | | |
| | <i>Ms. S. Kuzmanovic, Head of Section for Geology, Ministry of Environmental Protection</i> | 20 min |
| 8. Recent Status of Research in the Mining Industry and Future Outlook | | |
| | <i>Prof. Dr. V. Cokorilo, Faculty of Mining and Geology, Belgrade University</i> | 20 min |
| 9. Issues with Mine Management after Privatization | | |
| | <i>Mr. D. Vukobratovic, President, Rudnik</i> | 20 min |
| Discussion | | 15 min |
| Coffee Break | | 15 min |
| <u>Part 2: Issues of Various Areas in the Mining Industry and Ways to Resolve Them</u> | | |
| 10. Serbian Mineral Resources Potential and Exploration Perspectives | | |
| | <i>Mr. M. Marutani, Geological Expert, JICA Team</i> | 10 min |
| 11. Points of Competitiveness and Reform for Underground Mines | | |
| | <i>Mr. K. Shingu, Mining Expert, JICA Team</i> | 10 min |
| 12. Tailings: 1. Prevention of Environmental Pollution and 2. Reworking | | |
| | <i>Mr. H. Ohki, Mineral Processing Expert, JICA Team</i> | 10 min |
| 13. Creating an Environmentally-friendly Smelting Plant | | |
| | <i>Mr. S. Muto, Metallurgical Expert, JICA Team</i> | 10 min |
| 14. Strategy for GIS Database | | |
| | <i>Dr. K. Wada, GIS Expert, JICA Team</i> | 10 min |
| Discussion | | 15 min |
| 15. Expectations for the Master Plan | | |
| | <i>Mr. Z. Teodorovic, Head of Mining and Geology Division, Ministry of Energy and Mining</i> | 5 min |

8. Technical Transfer

8-1(2) Outline of Progress Workshop

1. Theme

From State Ownership to Private Sector Management

2. Date

25 May, 2007, from AM 10:00 to PM 15:00

Nikola Tesla Conference Hall

3. Participants

- Minister of Energy and Mining, Ambassador of Japan to Serbia, General Secretary of the Ministry of Environmental Protection, Resident Representative of JICA, Country Manager of the World Bank
 - Ministry of Energy and Mining, Ministry of Environmental Protection, Geological institute, University of Belgrade, Privatization Agency, Serbia Investment & Export Promotion Agency, Mining Institute, etc.
 - World Bank, RTB Bor, Zorka Smeter, Grot mine, Rudnik mine, and other mining companies
- Total 94 people

4. Part 1 Main Content of Speech (see the Workshop Document attached)

(1) Minister of Energy and mining

Minister of Mining and Geology, Dr A. Popovic, welcome addressed the workshop informing about the recent intensively cooperation in the field of mining, geology and environment between governments of Japan and Serbia. That cooperation includes both visit of JICA expert in Serbia during 2004 and 2005 and a great number of civil servants from Serbia attended different types of training seminars and workshops in Japan that are organized by JICA. By such cooperation as result the Study for Master Plan for Promotion of Mining Industry in Serbia has been prepared. Study is signed by the Ministry of Energy and Mining RS, The Ministry of Science and Environmental Protection RS and JICA. Duration of the Study is 15 months.

(2) General Secretary of the Ministry of Environmental Protection

General Secretary of the Ministry of Environment RS welcomed the implementation of the Master Plan for promotion of mining industry in Serbia, as a very important project.

(3) Ambassador of Japan to Serbia

Ambassador of Japan in Belgrade, Mr. T. Nagai, has informed about the Project that is funded by Government of Japan and its cost is approx. 1,5 million US dollars. Also, he highlighted the support from the Government of Japan to Serbia in different fields and was in amount approx 190 million US dollars. He said that the mining sector should take a special place in terms of the future investment.

(4) Resident Representative of JICA

Resident representative of JICA Balkan Office, Mr. M. Shikano, gave a brief overview about JICA Balkan Policy and cooperation in the Balkan area. He informed that this is the first Development Study that is implementing in Serbia. JICA Balkan office performs technical cooperation issues in 6 countries of Western Balkan. Technical cooperation is based on the principle of Economic Development related to private sector development and Environment, as a priority field of cooperation in Serbia. JICA Balkan office in the previous time was located in Vienna. Since October 2006 the office was removed to Belgrade. He emphasized the importance of the Study for Master Plan for Promotion of Mining Industry in Serbia from the aspect of establishing and developing cooperation in mining sector and the first development study as well as from the aspect of economic development and environmental protection in Serbia.

(5) Country Manager of the World Bank

Country Manager, World Bank, Ms. C. Jungr, said a few words about potential of the mining sector in Serbia. She explained that less than 2% of Serbia's GDP derived from mining metals and energy resources, while worldwide between 2-8% comes from solid mineral production and from energy between 8-12%. Ms Jungr stressed that is necessary to improve sector governance in order to attract foreign investors. She pointed out that is important to go with restructure the traditional mining sector, development of mining sector policy and its linkages with other strategies, as well as revise the legal and regulatory system for mining sector. She informed that the World Bank role will be in assistance in the preparation of Mineral Sector Policy and legislative and regulatory framework, making an effort in the process of privatization, as well as in the Bor Project from the environmental and social point of view.

5. Main questions in discussion

- Exploration data, especially reserves, is different from statistics at the Geological Institute Accuracy of statistics needs to be confirmed
- How are environmental costs and taxes handled in foreign countries? The current, environmental costs of each mine are unclear.
- There is no system to provide technical advice to private mining companies. Such a system is needed.
- The Utilization of by-products from ore and metals in slag, needs to be considered.

6. Comments from related organizations

- "Now, we can see the big picture, including the role of the mining sector in Serbia and the current transition situation." (MEM)
- "Several areas for improvements to the Serbian mining sector were identified. Mining management under a market economy was explained." (mining company)
- "We understand the contents of the JICA master Plan project, and the role of the survey. " (Privatization Agency).
- "Merits of mining for Serbia, and the need for reform."(journalist)

8-1(3) Photographs of Progress workshop (May 5th, 2007)



Entrance of the Nikola Tesla conference hall.



Reception



Mr. Shikano, JICA Representative, Mr. Nagai, Ambassador of Japan to Serbia, Dr. Popvic, Minister of Energy and Mining, General Secretary of the Ministry of Environmental Protection, Ms. Jungr, World Bank Country Manager and local World Bank representative (from right, counterclockwise).



Opening. Dr. Popvic, Minister of Energy and Mining, an interpreter, Mr. Teodorovic of MEM, General Secretary of the Ministry of Environmental Protection, Mr. Nagai, Ambassador of Japan, Ms. Jungr, World Bank Country Manager, Mr. Shikano, JICA Representative, and team leader Mr. Nishikawa (from left).



Conference hall, all 100 seats filled.



Mr. Teodorovic of MEM, leader of the workshop



Opening address by Minister of Energy and Mining



Address by General Secretary of the Ministry of Environmental Protection



Address by Mr. Nagai, Ambassador of Japan



Mr. Shikano, JICA Representative, speaking about JICA's policy in Balkan States



World Bank Country Manager, explaining the role of the World Bank in Serbia



Coffee break before the 1st session



Mr. Teodorovic, giving a presentation about the mining industry and mineral resources in Serbia



Mr. Nishikawa, explaining about the mining sector in Serbia, and changes in mining around the world



The president of Rudnik mine, giving a presentation as a representative of private mining companies



Mr. Marutani, explaining about the potential for mineral resources in Serbia



Discussion 1, an active discussion about each presentation



Discussion 2, a participant asking about information in the presentation handout

8-2(1) Program of Regional Workshop



Општина Врање



Regional Workshop for Mining Activities

- Relationship between Mines and Local Communities -

October 16, 2007 12:00-16:00 at Vranje Municipality Conference Hall
Petog Kongresa Street, 1, 17500 Vranje
Tel: 017-402-305

12:00~13:15

1. Greeting *Mr. Stojcic, Mayor of Vranje* 5 min
2. Importance of the Mining Industry to Local Communities
*Mr Z. Teodorovic, Head of Dept. for Mining and Geology,
Ministry of Energy and Mining* 10 min
3. Support for Local Community Development
His Excellency, Mr. T. Nagai, Ambassador, Embassy of Japan 15 min
4. Role of JICA in Local Community Development
Mr. M. Shikano, Resident Representative, JICA Balkan Office 15 min
5. Environmental Protection Policy for Local Area
Mr. Boljanic Momir, Adviser, Ministry of Environmental Protection 15 min
- Coffee Break** 13:00~13:15 15 min

13:15~14:45

Part 1: Role of the Mining Industry in the Local Economy

6. Relationship between Mining Activities and the Local Community
Mr. Y. Nishikawa, JICA Team Leader 20 min*
7. Importance of the Grot Mine to Local Communities
Mr. Nikola Jakimov, Technical Director, Grot Mine 15 min
8. Environmental Protection in Mining Industries
Mr. M. Murata, Environmental Expert, JICA Team 20 min*
9. Mineral Resources Potentiality in Vranje area
Mr. M. Marutani, Geological Expert, JICA Team 20 min*
- Coffee Break** 14:30~14:45 15 min

14:45~15:30

Part 2: Discussion

- Discussion** 30 min
- Local Communities Development
 - Environmental Protection and Monitoring Data
 - Relationship between Mines and Local Society
10. Management to Mining Activities by Government
Ministry of Energy and Mining 15 min

N.B. * includes time for translation into Serbian language.

8-2(2) Outline of Local Society Workshop

1. Theme:

“Relationship between Mines and Local Communities”

2. Date:

October 16, 2007 (Tuesday) 12:00-16:00

At Vranje Municipality Conference Hall

3. Participants:

Mayor of Vranje, Ambassador of Japan to Serbia, Resident Representative of JICA Balkan Office, Head of Department for Mining and Geology of the Ministry of Energy and Mining of Serbia, Representative of the Ministry of Environmental Protection of Serbia

Ministry of Energy and Mining, Ministry of Environmental Protection

Grot mine, Bor mine, other mining companies and Vranje private enterprises

Total: 80 people

4. Main content of speeches (see the attached Workshop Documents)

(1) Mayor of Vranje Municipality

Mr. Stojcic, Mayor of Vranje, addressed Japanese and Serbian geologists and mining experts, as well as all the participants in the workshop emphasizing the importance of this event being held in Vranje. Vranje region has considerable mineral resources. It is especially rich in lead, zinc and zeolite. There are factories for the ore exploitation. We hope to taking the opportunity for economic development of this area supporting the cooperation between Japanese agency and Serbian government which are working on the Master Plan for Promotion of Mining Industry in Serbia.

(2) Ambassador of Japan to Serbia

H. E. Mr. Tadashi Nagai, Ambassador of Japan in Serbia, gave a brief overview about Japan ODA (Official Development Assistance) in supporting Serbia. ODA has been divided in four groups according to the type of support as follows: emergency, development, technical cooperation and grassroots. The support was in all 197 million euro for a previous period.

(3) Resident Representative of JICA Balkan Office

Mr. Masao Shikano, Resident Representative of JICA Balkan Office, explained the roll of JICA in Local Community Development from the aspect of “human security”. He emphasized that in order to have a good developed local society we must focus on the individual, single person within the group who has to be perfectly protected. When introduce a new program or a project, JICA

established seven principles for the security of social community to be applied. One of the principles is “cooperation with the government as well as cooperation with the local community” in process of fulfillment of viable development. He also highlighted the importance of the environmental protection in local area.

- (4) Head of Department for Mining and Geology of the Ministry of Energy and Mining of Serbia Mr. Zoran Teodorovic, Head of Department for Mining and Geology from the Ministry of Energy and Mining of Serbia, said a few words about the importance of Mining industry and its development for local communities.

5. Main content of discussion

- * Mr. Vasiljević from the "Grot" mine asked about the source for potential resources of the Blagodat area. Mr. Marutani answered that all data on reserves and resources are from the report of Geological Institute of Serbia from 2006.
- * Several questions were asked regarding the proposed Exploration support system for private companies, i.e. subsidy for geological survey and loans for exploration. Mr. Nishikawa and Mr. Marutani explained the Japanese system for such cases and pointed out that maximum subsidy for a single mine is limited to 1 million USD. Subsidy fund can be established from royalties and taxes in mining industry.
- * In discussion it was stated that harmony and partnership between mining companies and local society is vital for business, and that environmental protection must be considered from the very beginning of the exploration till the operation of mine.
- * Worker from the “Kostana”, shoes company from Vranje asked about the possibility of Japanese investments in Serbian light industry companies such as textile and shoes companies. He asked about the possibility of business exchange between Japanese and Serbian small and middle enterprises as well.

Mr. Nishikawa explained that the current project and the elaboration of the Master Plan is considered as platform for the future business exchange and Japanese investments in Serbia. He stressed that it is important to make Friendship Exchange Programs between Serbian and Japanese cities which have some similarities in having developed same kind of industry or so. Having two cities in a friendship exchange relation would be the great stimulus for building business cooperation as well.

Mr. Shikano from JICA Balkan Office highlighted that the Serbian economy is to a great extent supported by not only big, but rather small and middle enterprises and that he finds business cooperation between Serbian and Japanese small and middle enterprises more than possible. He added that in order to realize this idea of business cooperation, more friendship exchange programs between cities must be built.

8-2(3) Photographs of Local Society Workshop (October 16th, 2007)



The conference hall was filled with participants at the opening of the Vranje regional workshop on October 16th, 2007.



Mayor of Vranje greeted the participants.



H. E. Mr. Tadashi Nagai, Ambassador of Japan to Serbia, gave a lecture on “Support for Local Community Development”.



Mr. Nishikawa, Team Leader, spoke about the “Relationship between Mining Activities and the Local Communities”



During the break, Ambassador, Representatives of the JICA Balkan Office, and others gave a press conference.



Intensive discussion at the end of Workshop.



8-3(1) Program of Interim Workshop

JICA Mining Master Plan Study Interim Workshop

- Setting the Course for Reconstructing the Mining Industry Base -



October 19, 2007 10:00-15:00

at "Nikola Tesla Conference Room"

Kneza Milosa 9, Belgrade

Tel : 011-3232-924

10:00~11:25

- | | | |
|-------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|--------|
| 1. Greeting | <i>His Excellency, Mr. A. Popovic, Minister of Energy and Mining</i> | 5 min |
| | <i>Dr M.Avramov, General Secretary, Ministry of Environmental Protection</i> | 5 min |
| | <i>His Excellency, Mr. T. Nagai, Ambassador, Embassy of Japan</i> | 5 min |
| | <i>Mr. M. Shikano, Resident Representative, JICA Balkan Office</i> | 5 min |
| 2. Progress with Privatization of the Mining Industry | | |
| | <i>Mr A. Ljubic, Director, Serbian Privatization Agency</i> | 10 min |
| 3. Way to Reconstruct Serbian Mining Industry | | |
| | <i>Mr Z.Teodorovic, Head of Dept..for Mining and Geology, Ministry of Energy and Mining</i> | 10 min |
| 4. Role of SIEPA and Its Future Relationship with the Mining Industry for Investment Promotion | | |
| | <i>Mr B.Jankovic, Deputy Director, SIEPA</i> | 15 min |
| 5. Policy of Environmental Protection for Mining Activities by the Serbian Government | | |
| | <i>Ms S.Kuzmanovic, Head of Dept. for Soil Protection, Ministry of Environmental Protection</i> | 15 min |
| Coffee Break | | 15 min |

11:25~13:10

Part 1: Issues with Defining Goals of the Master Plan

- | | | |
|---------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|--------|
| 6. Recent Status of the RTB Bor Environmental Projects and Future Plan | | |
| | <i>Mr. A.Popovic, World Bank</i> | 15 min |
| 7. Issues with the Serbian Mining Industry and Direction of the Master Plan | | |
| | <i>Mr. Y. Nishikawa, JICA Team Leader</i> | 15 min |
| 8. JTI-The first private investment in Serbia | | |
| | <i>Mr. K. Brown, Vice President, JTI Corporate Affairs and Communications</i> | 5 min |
| 9. Overview of Expanding GIS Database and Website | | |
| | <i>Dr. K. Wada, GIS Expert, JICA Team</i> | 15 min |
| 10. Environmental Management in Kamioka mine | | |
| | <i>Mr. M. Murata, Environmental Expert, JICA Team</i> | 15 min |
| 11. Activities and Issues of Mining Sector in Autonomous Province of Vojvodina | | |
| | <i>Mr S.Lajos, Ass. Provincial Secretary, Provincial Secretariat for Energy and Mineral Resources</i> | 15 min |
| Discussion | | 15 min |
| Coffee Break | | 15 min |

13:15~14:35

Part 2: Issues with Mining Operations and Improvement—Results of a Case Study

- | | | |
|---------------------------------------------------------------------|----------------------------------------------------------------------------------------------|--------|
| 12. Exploration Activities in Mines | | |
| | <i>Mr. M. Marutani, Geological Expert, JICA Team</i> | 15 min |
| 13. Issues and Improvements for Small/Medium Mines in Serbia | | |
| | <i>Mr. K. Shingu, Mining Expert, JICA Team</i> | 15 min |
| 14. Evaluation of Tailings Dams | | |
| | <i>Mr. H. Ohki, Mineral Processing Expert, JICA Team</i> | 15 min |
| 15. Improvement of Mining Management | | |
| | <i>Mr. M. Ozaki, Mining Accounting Expert, JICA Team</i> | 15 min |
| Discussion | | 15 min |
| 16. Confirming the Direction of the Master Plan | | |
| | <i>Mr Z. Teodorovic, Head of Dept. for Mining and Geology, Ministry of Energy and Mining</i> | 5 min |

8-3(2) Outline of Interim Workshop

1. Theme

Setting the Course for Reconstructing the Mining Industry Base

2. Date

October 19, 2007 10:00-15:00

at "Nikola Tesla Conference Room"

3. Participants

* His Excellency of Energy and Mining, His Excellency, Mr. T. Nagai, Ambassador, Embassy of Japan, Resident Representative, JICA Balkan Office, Head of Dept. for Mining and Geology, Ministry of Energy and Mining, Serbian Privatization Agency, SIEPA

Ministry of Environmental Protection

* Ministry of Energy and Mining, Ministry of Environmental Protection

* Grot mine, Bor mine, other mining companies and Vranje private enterprises

Total 83

4. Main content of speeches (see the attached Workshop Documents)

(1) His Excellency of Energy and Mining

Dr. Aleksandar Popovic, Minister of Energy and Mining of Serbia gave the opening remarks on the occasion of the Interim Workshop in Belgrade. He talked about the purposes of the Interim Workshop and the Study for Master Plan, the results in the previous period of the cooperation between the two governments as well as the further plans and guidelines of JICA team members and Japanese experts.

(2) Ministry of Environmental Protection

Project titled „Master Plan for Promoting of Mining Industry in Republic of Serbia“, is recognized as a strategic and useful one by the Ministry for Environmental Protection, mostly in terms of the future sustainable exploitation of mineral resources and in increase of the participation of mining in accomplishment of the faster economy growth- elevation of increase from 1% to 10% of participation of mining in GDP upon finalization of the project. Based on preliminary study results by Japanese experts which are being made up by now, it is obvious that there is potentiality of metallic mineral resources in the Republic of Serbia, which has an implication on reassert of the mining industry in our country, but this time with a possibility of strictly following the procedure within the framework of environmental protection, i.e. with fully respect not only for domestic legislative but for existing conventions in the field of environment. It can be expected that the companies, which will show interest in our market, already have a great experience in respecting the standards and directives in the field of environmental protection.

(3) Resident Representative of JICA Balkan Office

Mr. Masao Shikano, Resident Representative of JICA Balkan Office addressed on the occasion of Interim Workshop in Belgrade with particular reference to the Study of Master Plan and the row of important events recorded during this year and these that will take place on afterwards.

There was the steering committee held last week. Master Plan started taking its shape and its components are implemented as scheduled.

There was regional workshop held in Vranje last Tuesday. The workshop was very successful with the participation of local community. Mr. Z. Teodorovic from the Ministry of Energy and Mining will visit Japan as a participant of JICA counterpart program. There will be Serbia investment seminar taking place in Tokyo in the end of November this year.

All these events will surely more attract Japanese investments in Serbia, noted Mr. Shikano.

5. Main content of discussion

The first part of the workshop was devoted to issues concerning the reconstructing the Serbian mining industry, geology and environment in the mining sector as well as the future relations of the investment promotions to mining industry of Serbia. Presentations were given by representatives from the Ministry of Mining and Energy RS, Ministry of Environment, Serbian Privatization Agency, Serbian Agency for Investment and Export Promotion and Provincial Secretariat of Vojvodina for Mineral Resources and Energy. During the second and the third part of the workshop, JICA Team gave their presentations about defining of the goals of the Master Plan and were shown results of the Case Studies and issues of improvement of the mining management (Annex 2/Agenda).

During the first discussion Mr Vlada Simic asked about investments in geology and mines and about organization of such activities in Japan. Mr Nishikawa replied that the organization and a structure of the mining sector in Japan is the same as it is shown in the presentation. In connection with that he proposed to be established a subsidiary body in Vranje within the organizational chart of the Serbian mining sector. The loan institution exists for unexplored fields in Japan. The Japan Government supports development of the companies but on the other side companies have to pay royalty to Government, and a part of that fund is being allocated to financial support and loans for development of the companies. Mr Teodorovic said that he agrees with a proposed concept of the mining sector structure of the Mr Nishikawa's presentation, but there is necessity to be adopted by all relevant ministries and governmental bodies.

Mr Teodorovic pointed out presentation of Dr Wada about geological maps which can be found on the Web-GIS. The application is still in the preparation. Mr Lajos informed that the similar application of Web-GIS for using geological maps will be set up on the official website of

the Provincial Secretariat for Mineral Resources and Energy until the end of November.

Mr Spasojevic said a few words about WB loans in the field of environmental protection and a future cooperation with a Serbian Government in that field. He said that in the Grot mine the social aspect has to be taken into consideration and a transportation cost as well. He also added that it is important to submit EIA Study for each mining field, because it is necessary to show that is reliable from the technological point of view and to convince that there will not be negative impact on environment.

Regarding the future pilot projects, Mr Nishikawa said, that it should be allocated more funds and investments from other donors and international organizations .

Mr Zoran Popovic from MEP asked whether tested the host rock of the tailing dam. Mr Ohki explained that it will be the next step, and the Case Study aiming at determining the main problems and potentiality of the tailing dam. It is just one of the phases in the process of whole investigation.

Mr Teodorovic asked for other method for valorization of Au that can be used, because cyanidation method is not in compliance with our regulation. Mr Ohki replied that cyanidation method is an efficient procedure for Au valorisation and is very common method in industry. There is also an Acidic TioUrea method but it can be also dangerous for environment and cancerogenic for human health. Mr Zoran Stevanovic from Institute of Copper, said there are other numerous methods that can be applied for Au valorisation but with a lower utilisation factor.

8-3(3) Photographs of Interim Workshop (October 16th, 2007)



The Interim Workshop was held in Belgrade on October 19, 2007, which captured the interest of Serbian people and media.



The host (chairman) of this event was Mr. Teodorovic from MEM, who opened Workshop.



First, H. E. Dr Popovic, Minister of MEM, addressed the participants.



H. E. Mr. Tadashi Nagai, Ambassador of Japan to Serbia, delivered a congratulatory address.



Mr. Nishikawa, Team Leader, spoke on "Issues with the Serbian Mining Industry and Direction of the Master Plan"



At the end of the Workshop, a very intensive discussion was held. The questions and answers went over the scheduled time, but the workshop finished with a great success and received favorable comments.

8-4(1) Seminar for Promoting Investment in Serbia

日時：2007年11月27日（火）14:00～17:00（セミナー）、17:00～18:00（レセプション） 場所：国際協力銀行9階講堂
共催：在日セルビア共和国大使館、(独)石油天然ガス・金属鉱物資源機構(JOGMEC)、(独)国際協力機構(JICA)、
(財)海外投融資情報財団(JOI)

後援：(独)日本貿易振興機構(ジェトロ)、国際協力銀行(JBIC)

Date and time: Tuesday, November 27, 2007 14:00h~17:00h (Seminar), 17:00h~18:00h (Reception)

Location: 9th Floor Auditorium, Japan Bank for International Cooperation

Co-organized by: Embassy of the Republic of Serbia, Japan Oil, Gas and Metals National Corporation (JOGMEC),
Japan International Cooperation Agency (JICA), Japan Institute for Overseas Investment (JOI)

Supported by: Japan External Trade Organization (JETRO), Japan Bank for International Cooperation (JBIC)

プログラム／Program（日英同時通訳付：with English/ Japanese simultaneous interpretation）

- 14:00 – 14:10 **開会挨拶**
デヤン・ラユコヴィッチ（セルビア国エネルギー鉱業省次官補）
Opening Remarks
Mr. Dejan Rajkovic, Assistant Minister, Ministry of Energy and Mining, the Republic of Serbia
- 14:10 – 14:20 **鉱業分野における JICA の取組みと本セミナーの狙い**
永塚 誠一（国際協力機構(JICA) 理事）
JICA's Commitment Cooperation in the Mining Sector and the Purposes of this Seminar
Mr. Seiichi Nagatsuka, Vice President, Japan International Cooperation Agency (JICA)
- 14:20 – 14:30 **今日におけるセルビアと日本の関係**
イヴァン・ムルキッチ閣下（駐日セルビア共和国大使）
Contemporary Serbia and Its Relations with Japan
H.E. Mr. Ivan Mrkic, Ambassador of the Republic of Serbia to Japan
- 14:30 – 14:55 **セルビア経済と投資環境**
ダルコ・ジュキッチ（セルビア投資促進庁 戦略投資局長）
Serbia's Economy and Investment Climate
Mr. Darko Djukic, Head of Department for Strategic Investment,
Serbian Investment and Export Promotion Agency (SIEPA)
- 14:55 – 15:10 **コーヒー・ブレイク／Coffee Break**
- 15:10 – 15:30 **JT のセルビアにおける経験**
山本 博（日本たばこ産業株式会社 事業企画室部長）
Experience of JT in Serbia
Mr. Hiroshi Yamamoto, Vice President, Tobacco Business Planning Division, Japan Tobacco Inc. (JT)
- 15:30 – 15:55 **セルビア鉱業と産業能力**
ゾラン・テオドロヴィッチ（セルビア国エネルギー鉱業省 鉱業地質局長）
Recent State of Serbia's Mining and Manufacturing Capacity
Mr. Zoran Teodorovic, Head of Mining and Geological Department,
Ministry of Energy and Mining, the Republic of Serbia
- 15:55 – 16:10 **環境保全における課題**
ゾラン・ヴェリョコヴィッチ（セルビア国環境保全省 局長）
Environmental Protection Issue
Mr. Zoran Veljkovic, Head, Ministry of Environmental Protection, the Republic of Serbia
- 16:10 – 16:30 **セルビアの鉱物資源ポテンシャルと鉱業への投資の機会とメリット**
西川 有司（JICA 開発調査チームリーダー）
Investment Opportunities and Advantages of the Mining Industry and Mineral Resources Potential of Serbia
Mr. Yuji Nishikawa, Team Leader, Japan International Cooperation Agency (JICA)
- 16:30 – 16:50 **質疑応答／Questions & Answers**
- 16:50 – 17:00 **閉会挨拶／Closing Remarks**
- 17:00 – 18:00 **レセプション／Reception**

8-4(2) Summary of the Tokyo Seminar

JICA

Summary of the Tokyo Seminar for Promoting Investment in the Serbian Mining Sector

1. Background

The Republic of Serbia is a member of the EU zone that is located at a major crossroads between Europe and Asia. Since 2000, there has been a tremendous amount of rebuilding of the economy that had been devastated by civil war and neglected under the old socialist system.

In the Yugoslavia era, Serbia had already possessed a “full set” of technologies related to the exploration, development, production and refining of base metals such as copper and zinc. Not only was Serbia a supplier of raw materials to Europe, but it was also working to become a core area for the processing of industrial metallic materials.

However in the 1990s, because of the various civil wars and the difficulties associated with making the transition towards a market economy, production from mines and smelters fell to about 1/5 of previous levels. Today, the mining industry is undergoing a rebuilding process, part of which involves privatization. At the same time, the regional geological structure indicates that Serbia has high potential for mineral resource development.

An environment is being created to attract investment in exploration and development, mining, smelting, and processing, and a foundation is being laid for transnational economic activities that will make Serbia a trading node with Europe, Russia, and other regions.

2. The Role of JICA’s “Study on Master Plan for Promotion of Mining Industry in Republic of Serbia”

Since December 2006, the JICA Master Plan Survey for Promoting the Mining Industry has been undertaken in response to requests from the Serbian government to formulate a master plan that will assist in the rebuilding of the mining sector. The JICA Master Plan Survey is designed to contribute to mining promotion and economic development by gaining a thorough understanding of the Serbian mining sector, clearly defining the direction to be taken in mine management after the privatization process is completed, and creating a master plan that will promote the mining industry.

3. Investment Targets in the Mining Sector

To provide the foundation for free trade with Russia and the EU zone, Serbia has excellent potential as a base for the export of base metals and processed metal products. This potential spans a wide range of investment targets, including, among others:

- Exploration and mine development
- Mine production
- Copper and zinc smelters

- Processed metal products, metal parts for industrial use

4. Outline of the Tokyo Investment Seminar

1) Purpose

- To understand the state of affairs, economy, and geographical attributes of Serbia
- To provide information about the investment climate of Serbia
- To provide an introduction to the areas targeted for investment in the Serbian mining sector

2) Date, time, place, and presentations

Listed separately

3) Expected participants

Mining and smelting companies, trading companies, financial institutions, metal production companies, automobile parts makers, etc.

8-4(3) Photographs of Tokyo seminar (November 27th, 2007)



Sight of the seminar place



Sight of the seminar place



Mr. Seichi Nagatsuka, Vice President, JICA



H.E. Mr. Ivan Mrkic, Ambassador of the Republic of
Serbia to Japan



Mr. Hiroshi Yamamoto, Vice President, JT



Mr. Zoran Teodorovic, Head of Mining and Geological
Department, MEM

8-5(1) Program of AMA Seminar

The Association of Mining Analysis The Serbia Mining Sector

January 30th, 2008 – Armourers' Hall

Programme

- 0845 Doors open to receive guests. Coffee, Tea, refreshments and croissants available
- 0930 *Mr. Dragan Zupanjevac, the Serbian Chargé d'Affaires* will welcome delegates and introduce the Assistant Minister of Energy and Mining
- 0935 The Serbian Assistant Minister of Energy and Mining to welcome delegates
Mr. Dejan Rajkovic, Assistant Minister
- 0945 Introduction to Serbia and its Mining Sector
Mr. Zoran Teodorovic – Head of Mining & Geology, Ministry of Energy & Mining
- 1010 The work of SIEPA, the Serbian Investment Promotion Agency
Mr. Darko Dukić – Head of Investment Department, SIEPA
- 1035 Highlights of the Japan International Cooperation Agency's Study on the Master Plan for the Promotion of the Mining Industry in the Republic of Serbia
Mr. Yuji Nishikawa - Leader JICA Team
- 1100 Break for coffee
- 1125 Serbian Mining law, regulation and taxes
Mrs. Milica Zoric – Mining Law Specialist, Ministry of Energy and Mining
- 1150 The Geology and Mineralisation of Serbia
Mr. Masaharu Marutani - JICA Team
- 1215 The new website of the Ministry of Energy and Mining
Dr. Kazushige Wada - JICA Team
- 1235 Break for Serbian Lunch
- 1400 Description of the Opportunities for investment in Copper, Lead and Zinc operations
Mr. Richard Thompson - JICA Team
- 1420 Exploration in Serbia 1
Mr. John Menzies – Chairman, Euromax
- 1440 Exploration in Serbia 2
Mr. Gerard Rheinberger, Manager, Rio Tinto Exploration, S.East Europe
- 1500 Serbian Privatisation
Mr. Zoran Teodorovic – Head of Mining & Geology, Ministry of Energy & Mining
- 1520 Closing remarks by the Assistant Minister of Mines
Mr. Dejan Rajkovic
- 1525 Closing remarks on behalf of JICA team
Mr. Y. Nishikawa, JICA team leader
- 1530 Informal discussion, tea and networking
- 1630 Seminar closes

8-5(2) Photographs of AMA Seminar



View of the meeting hall.



All 70 seats were filled.



From right to left: Serbian Ambassador to London; Deputy Minister ライコビッチ of MEM; Study Team member Thompson (chairman of the meeting).



The Serbian Ambassador to London introduces Deputy Minister ライコビッチ of MEM.



Greeting from Deputy Minister ライコビッチ



Introduction to the Serbian mining sector by Mr. Teodorovic of MEM



Introduction to SIEPA's activity by Mr. Dukic of SIEPA



Team Leader Nishikawa gives a brief introduction to the Master Plan Study.



MEM's mining law expert Ms. Zolytch talks about Serbian mining law and regulations.



Study Team member Marutani talks about the geology and mineral resources of Serbia.



Study Team member Wada talks about the WebGIS developed during the Master Plan study.



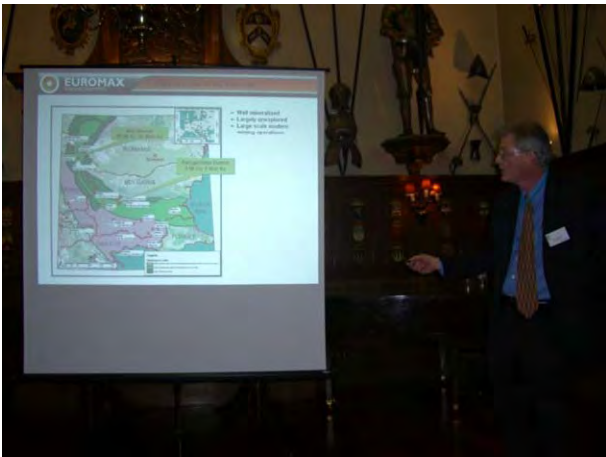
Festive atmosphere during a coffee break



Study Team member Thompson talks about investment opportunities in non-ferrous metals mines in Serbia.



Farmakon MB, a private Serbian company, introduces its own mining activities. (It was not part of the original program but was added at the last minute).



The Euromax Company talks about its exploration activities in the Balkans.



The Rio Tinto Company talks about its strategies, and its exploration program in Serbia.



Team Leader Nishikawa giving the closing speech



In addition to speech materials, attendees also received copies of "Investment Review", "Investment Guide CD" and other materials.



8-6(1) Program of Final Seminar

JICA Mining Master Plan Study: Final Seminar

- Creating a Road Map for Promoting the Mining Industry of Serbia -

February 6, 2008
10:00-14:30

at Sava Center
Milentija Popovića 9, 11070 Belgrade, Serbia
Tel: 011 220 60 00



	10:00~10:25	
Greeting	<i>His Excellency, Dr. A. Popovic, Minister of Energy and Mining</i>	5 min
	<i>His Excellency, Mr. S. Dragin, Minister, Ministry of Environmental Protection</i>	5 min
	<i>His Excellency, Mr. M. Cvetkovic, Minister, Ministry of Finance</i>	5 min
	<i>His Excellency, Mr. T. Nagai, Ambassador, Embassy of Japan</i>	5 min
	<i>Dr. M. Yoshida, Senior Advisor, JICA Headquarters</i>	5 min
Coffee Break	10:25~10:40	
	10:40~11:30	
	<u>Part1: Implementing the Master Plan</u>	
1. Economic Position of and Expectations for the Serbian Mining Industry	<i>Mr. I. Momcilovic, Assistant Minister, Ministry of Finance</i>	10 min
2. Improvement of Environmental Protection vis-à-vis Mining Activities	<i>Mr. Nikola Ille, Environmental Specialist, The World Bank</i>	10 min
3. Reconstruction of the Serbian Mining Industry and Future Vision based on Master Plan	<i>Mr. Z. Teodorovic, Head of Dep. for Mining and Geology, Ministry of Energy and Mining</i>	15 min
4. Master Plan and Road Map for Promoting the Mining Industry	<i>Mr. Y. Nishikawa, JICA Team Leader</i>	15 min
Coffee Break	11:30~11:50	
	11:50~12:40	
	<u>Part 2: Road Map for Promoting the Mining Industry</u>	
5. Laws from Mining and Geological field	<i>Ms. M. Zoric, Mining Law Specialist, Ministry of Energy and Mining</i>	10 min
6. The Road to Resolving Environmental Issues Caused by Mining Activities	<i>Mr. Z. Veljkovic, Head, Ministry of Environmental Protection</i>	10 min
7. Ways of Promoting Domestically-owned Companies	<i>Mr. Darko Djukic, Head of Investment Promotion Department, SIEPA</i>	15 min
8. Outlook for the MEM Website and GIS Database	<i>Dr. K. Wada, GIS Expert, JICA Team</i>	15 min
Discussion	12:40~12:55	
Coffee Break	12:55~13:10	
	13:10~14:15	
	<u>Part 3: Vision of the Master Plan</u>	
9. Mineral Resources Potential and Promoting Exploration Work	<i>Mr. M. Marutani, Geological Expert, JICA Team</i>	15 min
10. Case Study Results and Future Vision	<i>Mr. H. Ohki, Mineral Processing Expert, JICA Team</i>	15 min
11. Reconstruction of the Mining System and Outlook for Efficient Operations	<i>Mr. K. Shingu, Mining Expert, JICA Team</i>	15 min
12. Environmental Protection and Sustainable Development with Master Plan	<i>Ms. Biljana Vaskovic, Specialist, Dept. for Planning and Management, Ministry of Environmental Protection</i>	10 min
13. Confirming the Master Plan	<i>Mr. Z. Teodorovic, Head of Dept. for Mining and Geology, Ministry of Energy and Mining</i>	10 min
Discussion	14:15~14:30	
Closing Address	<i>Mr. Dejan Rajkovic, Assistant Minister, Ministry of Energy and Mining</i>	
Light Refreshments	14:30~15:00	

8-6(2) Photos of the Final Seminar (6 February)



Where the meeting was held: Belgrade's SAVA Center



Banner announcing the opening of the seminar



View of the meeting



Another view of the meeting. About 130 people attended.



From right to left: Minister Popovic of MEM; Deputy Minister Rajkovic; Mr. Teodorovic



From left to right: Ambassador Nagai; Mr. Yoshida from JICA; Mr. Ille, World Bank environment expert; Team Leader Nishikawa; interpreter



Greeting from Minister Popovic of MEM



Greeting from Ambassador Nagai



Greeting from Mr. Yoshida, JICA expert from the Tokyo office



Minister Popovic of MEM fields questions from reporters.



Mr. Ille, World Bank environment expert, talks about environmental protection related to mining activities.



Mr. Teodorovic of MEM talks about the future image of the Serbian mining industry based on the Master Plan.



Team Leader Nishikawa talks about the Master Plan for promoting the mining industry.



Ms. Zolytch, mining law expert at MEM, gives a speech.



Festive atmosphere during a coffee break



MEP's Veljkovic giving a speech



SIEPA's Dukic giving a speech



Euromax Company talking about its exploration activities in the Balkans. (It was not part of the original program but was added at the last minute).



Study Team member Wada talks about MEM's WebGIS.



Study Team member Marutani talks about the geology and mineral resources of Serbia.



Survey Team member Ohki presents the results of the case study.



Survey Team member Shingu gives an overview of a Kaizen mining system and highly efficient operations



Ms. Vaskovic of MEM gives a speech.



MEM Deputy Minister Rajkovic gives the closing address.

8-7 Summary of Supplement

Country Mining Supplement to The Mining Journal on Serbia

Background:

Mining Communications Ltd (MCL) is proposing to publish, in association with JICA, a special country Mining Supplement on Serbia. This Supplement may be distributed with a CD-ROM Guide to the Serbian Mining Sector. (The details of this guide follow in the next section below.)

Length of Publication:

12 pages A4 format

Editorial Content:

Editorial to be prepared by the Study Team and approved by JICA to include all or a selection of the following:

- Front Cover (to be designed by MCL with material supplied)
- Introductory article
- Description of Serbian Geology
- Summary of recent geological mapping activity
- Organisation of the mining sector
- The mining sector and principal projects
- Mining Policy, Law and Regulation
- Serbian history, culture, infrastructure and demographics
- Climate, water resources, communications
- Key Government contacts, mining sector office contacts

Material for MCL should be sent in electronic format, with all illustrations such as photos, logos, maps, diagrams in JPEG or PDF at a minimum resolution of 300DPI (dots per square inch). Richard Thompson will co-ordinate this promotional activity for the Study Team. (rttmining@btinternet.com).

Provisional Publication date:

Friday October 12th 2007.

8-8 Summary of Investor's Guide

An Investor's Guide to the Mining Sector in Serbia

Background: Mining Communications Ltd (MCL) is proposing to publish in October 2007, in association with JICA, a special country Mining Sector Guide on Serbia. This Guide will be published as a CD-ROM and as a 52 page coloured brochure. The details of this guide follow in this section.

Length: 52 pages. 12 Full colour, A4.

Editorial Content:

Editorial to be provided by the JICA Study team to include all or a selection of the following:

- Front Cover (to be designed by MCL with Material supplied)
- Brief History and Culture
- Climate and Heritage
- Economic development and Mineral Resources
- The current situation in Serbia mining sector
- The geology and characteristics of Serbian deposits
- Deposit models and areas of promising opportunities
- Organisation of the mining sector
- Mining Policy and relevant mining issues
- Finding information about the minerals sector
- Other background information

Material should be sent in electronic format, with all illustrations such as photos, logos, maps, diagrams in JPEG or PDF at a minimum resolution of 300DPI (dots per square inch). Richard Thompson will co-ordinate this promotional activity for the Study Team. (rttmining@btinternet.com).

Provisional Publication date:

Friday October 12th, 2007.