

Meeting with Rio Tinto

Friday, 21 January 2022

Participants:

EUD







Rio Tinto:



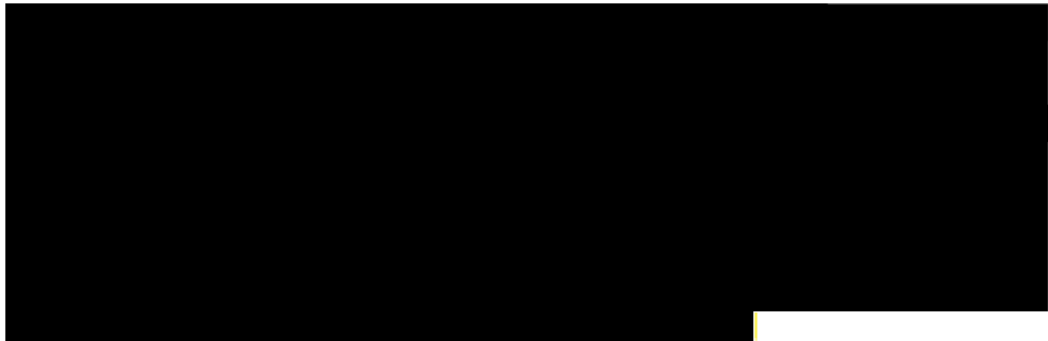


The meeting was arranged following the request of Rio Tinto to brief  on the current situation on the Jadar project and as a follow-up of a previous EUD meeting with Rio Tinto on 18 November 2021. The meeting coincidentally took place one day after the urgent session of the government of 20 January 2022, during which a decision on the annulment of the spatial plan concerning the Jadar Project was taken.

Key Points Discussed:

- Rio Tinto's positioning and next steps following government's decision
- Relationship of the company with the government and the local community
- Permits procedure and Environmental Impact Assessment (EIA)
- Strategic Partnership on Raw Materials

1.



[REDACTED]

3. [REDACTED]

4. **Engagement with the local community:** The company considers their engagement with the local community as very strong; they have information centres in the area of Loznica, providing adequate information to the residents; people continue selling their properties and many locals were deeply concerned about the future of the project.

[REDACTED]

5. [REDACTED]

6. **Permits procedure and Environmental Impact Assessment (EIA):** According to Rio Tinto, the procedure to move from exploration to exploitation in the SR mining law includes the following: (a) drafting and submission of a scoping document by the company, (b) public review and submission of comments, (c) revision of scoping document, (d) approval of scoping document by the government, (e) granting of exploitation field licence to allow the (f) publication of EIA, (g) public consultation on the EIA, and (h) granting of a construction permit. As mentioned by the company, the 'exploitation field licence' only defines the boundaries of the field for the proposed exploitation and does not create any rights for exploitation, whereas exploitation works can only be initiated after a construction permit is approved.

[REDACTED]

Rio Tinto stated that the EIA had been prepared by renowned SR professors and that the company was also working with international partners regarding an independent review of the EIA. Regarding the context of EIA, the company mentioned that according to relevant Serbian legislation, conditions on the study are generic and include, among others, standards on environment, water and cultural heritage.

7. **Mining Law and exploitation rights:** As stated by Rio Tinto, the Mining Law of 1995 was considered as conservative by the government, who proceeded with amending it in 2006 in an attempt to modernise the industry by aligning the legislation with international practise, with the aim to attract more international investments in Serbia. The amended law provides that a company, which is offered exploration rights, *may* be granted with an exploitation permit, under the provision that all necessary permits are obtained. This particular provision is the basis for the *principle of continuity*, which exists in various legal systems worldwide. The right of the actual exploitation of the field is created only when a construction permit is obtained. Both Ministries of Mining and of Construction are involved in the process for obtaining the final permit.
8. **Strategic Partnership on Raw Materials:** Rio Tinto has been confused with the behaviour of the government, which on the one hand engages with the European Commission on a strategic partnership on raw materials and batteries, while on the other hand announces the annulment of the spatial plan of the Jadar project. The company inquired on the stance of EUD on the partnership [REDACTED] informed on the interest of both sides on a partnership on (a) integration of (critical) raw material and battery value chains (b) cooperation on research and innovation (c) alignment with environmental, social and governance criteria.
9. [REDACTED] reiterated that the project could offer an opportunity for the establishment of an integrated value chain in Serbia, provided it was conducted in line with the highest environmental standards. However, it was upon the government to make such decisions. The EU in any event, could not favour any specific company, and would continue to follow the developments.