



2012 Minerals Yearbook

KOSOVO

THE MINERAL INDUSTRY OF KOSOVO

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Kosovo has deposits of aggregates and construction minerals, bauxite, chromium, lead and zinc, lignite, magnesite, nickel, and silver, but the production volume of most minerals was small by regional and world standards. Industry activity for almost all minerals stopped in the late 1990s during fighting between ethnic Albanian guerilla groups and Serbian security forces, but production of most mineral commodities was restarted and increased significantly during the past decade. On February 17, 2008, the Serbian Province of Kosovo declared its independence after having been under the administration of the United Nations' Interim Administration Mission in Kosovo since 1999 (Independent Commission for Mines and Minerals, 2005).

Minerals in the National Economy

The International Monetary Fund reported that Kosovo's real gross domestic product increased by 2.1% in 2012, and it increased by 5% in 2011. In 2011 (the latest year for which trade data were available), mineral commodities, including ferronickel, industrial minerals, lead, and zinc, were an important source of export revenue for Kosovo's economy and were the leading export and import goods. Exports of base metals and articles of base metals continued to be the leading export category in terms of value, and they totaled about €190.1 million (\$136.9 million¹), or about 61% of the total value of exports. The value of base-metal exports increased by about 3% compared with that of 2010. The value of exports of mineral products decreased by 0.5% to €38.6 million (\$27.8 million) and made up about 12% of total exports. ("Mineral products" included industrial minerals, mineral fuels, and metal ores, but not processed metals.) Mineral products were the leading import category and were valued at about €538.1 million (\$387.4 million) and made up 22% of the total value of imports (Central Bank of the Republic of Kosovo, 2013, p. 99–100; International Monetary Fund, 2013, p. 153).

Production

Production of zinc concentrate increased by 31%; silica sand, by 14%; and lead concentrate, by 11%. Marl output decreased by 51%; nickel ore, by 45%; sand and gravel, by 42%; clay by 23%; and limestone, by 21% (table 1). In 2012, Arsi Sh.p.k. of Albania began production of chromite near Llapceve. Production figures for lead and zinc metal were revised to zero for the series in table 1. Production of lead and zinc metal had been reported in 2009, but it is now known that there had been no production since 1999 (table 1; Arsi Sh.p.k., 2013).

¹Where necessary, values have been converted from euro area euros (€) to U.S. dollars (US\$) at the rate of €0.72=US\$1.00 in 2011.

Structure of the Mineral Industry

In 2011 and 2012, steps were taken to begin the privatization of the Trepca Complex, which had been an important regional producer of lead and zinc before production was halted during the conflict between ethnic Albanian guerilla groups and Serbian security forces in 1999. Trepca restarted production of lead and zinc ores in 2005, but in 2012, its output was still much lower than its pre-1999 output. The initial privatization efforts focused on selling seven of Trepca's nonmining facilities, but the privatization of these assets was put on hold in 2012 owing to complications from unsettled debts and opposition to the privatization by Serbia, which does not recognize Kosovo's independence (Privatisation Agency of Kosovo, 2011, p. 17; 2012, p. 15–16; SETimes.com, 2012).

In 2012, Arsi began production of chromite near Llapceve and had a number of exploration licenses in Brezovice, Crepule, Hasalar, Qafe e Prushit, Qerret, and Rahovec. The company was the only active chromite exploration company in Kosovo and claimed to own 80% of the known chromite deposits in Kosovo. Table 2 is a list of major mineral industry facilities (Arsi Sh.p.k., 2013).

Outlook

Kosovo is expected to remain a modest producer of mineral commodities but is likely to continue to increase production if the economy continues to develop and if infrastructure improves. Because Kosovo mainly exports its mineral products, the level of foreign demand will also be an important factor in the development of the mineral industry. The Trepca Complex could make Kosovo a regionally significant producer of lead and zinc, but major investments would be necessary to expand production.

References Cited

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TABLE 1
 KOSOVO: PRODUCTION OF MINERAL COMMODITIES¹

(Metric tons unless otherwise specified)

Commodity ²	2008	2009	2010	2011	2012
METALS					
Chromite (Cr ₂ O ₃ , 26%)	--	--	--	--	2,000
Ferroalloys, ferronickel: ³					
Gross weight	24,300	27,700	30,400	68,300	68,300
Ni content of ferronickel	5,600	6,360	7,000	15,700	15,700
Lead and zinc:					
Ore, gross weight	141,769 ^r	158,137	185,842	233,115 ^r	225,490
Lead content of ore	5,800 ^r	6,500 ^r	7,700 ^r	7,100 ^r	6,700
Zinc content of ore	5,000 ^r	5,600 ^r	6,400 ^r	6,600 ^r	6,600
Concentrate:					
Lead concentrate:					
Gross weight	--	4,285	8,232	7,471 ^r	8,298
Pb content	--	3,000	5,700	4,500 ^r	5,300
Zinc concentrate:					
Gross weight	--	5,332	8,678	7,409 ^r	9,695
Zn content	--	2,500	4,100	2,900 ^r	3,800
Metal:					
Pb, refined	--	-- ^r	-- ^r	-- ^r	--
Zn, refined	--	-- ^r	-- ^r	-- ^r	--
Nickel:					
Ore, wet	677,426 ^r	918,709	779,506	683,855	379,151
Ni content of ore	8,500 ^r	10,500	9,100 ^r	7,700	4,400
INDUSTRIAL MINERALS					
Cement ^c	thousand metric tons	590	600	600	600
Clay ^{e, 3}		85,000	200,000 ^r	93,580	158,000 ^r
Limestone	cubic meters	1,917,196	2,164,589	2,606,047	3,282,964 ^r
Marl	do.	322,007	291,829	302,630	259,616
Pumice and related materials, volcanic tuff ^c	do.	45,005	58,788	60,000	60,000
Sand and gravel, excluding glass sand	do.	45,463 ^r	46,085 ^r	18,533 ^r	32,819
Silica sand (glass sand)	do.	27,325	20,181	25,178	19,711
MINERAL FUELS AND RELATED MATERIALS					
Lignite	thousand metric tons	7,885 ^r	7,839 ^r	7,958	8,212

^cEstimated; estimated data are rounded to no more than three significant digits. ^rRevised. do. Ditto. -- Zero.

¹Table includes data available through June 4, 2013.

²In addition to the commodities listed, other aggregates and construction materials were thought to have been produced, but available information is inadequate to make reliable estimates of output.

³Estimate based on reported production in cubic meters: 2008—35,382; 2009—83,294; 2010—38,925; 2011—65,930; and 2012—50,757.

TABLE 2
KOSOVO: STRUCTURE OF THE MINERAL INDUSTRY IN 2012

(Thousand metric tons)

Commodity	Major operating companies and major equity owners.	Location of main facilities	Annual capacity ^e
Bauxite	Bauxite Mine Volljak (Government owned)	Grebnik Mine, about 50 kilometers east of Pristina and 17 kilometers north of Orahovac	NA
Cement	Sharrcem Sh.p.k. [Sharr Beteiligungs GmbH (Titan Group)]	Hani Elezit, on border with Macedonia	600
Chromite	Arsi Sh.p.k.	Llapceve, about 12 kilometers north of Rahovec	NA
Coal, lignite	Kosovo Energy Corp. J.S.C. (Government owned)	Bardh and Mirash Mines, just west of Pristina	NA
Lead and zinc:			
Ore	Trepca Complex (Government owned)	Stan Terg Mine	NA
Do.	do.	Crnac Mine, northern Kosovo	NA
Do.	do.	Artana Mine at Novo Brdo	NA
Do.	do.	Belo Brdo Mine, northern Kosovo	NA
Concentrate	do.	Concentrator at Tuneli i Pare near Mitrovica	NA
Do.	do.	Concentrator at Kizhnica, about 8 kilometers southeast of Pristina	NA
Do.	do.	Concentrator at Leposavic in northern Kosovo	NA
Metal:			
Lead	do.	Lead smelter at Zvecan	NA
Zinc	do.	Zinc smelter at Mitrovica	NA
Nickel:			
Ore	Ferronikeli (Cunico Resources NV)	Mines at Chikatovo (Dushkaja and Suke Mines) and Glavitca	NA
Metal ¹	do.	Ferronickel plant at Gillogovac, about 20 kilometers west of Pristina	12

^eEstimated; estimated data are rounded to no more than three significant digits. Do., do. Ditto. NA Not available.

¹Nickel in ferronickel.