



2014 Minerals Yearbook

KOSOVO

THE MINERAL INDUSTRY OF KOSOVO

By Sinan Hastorun

Kosovo is a relatively young, landlocked country in the central Balkan Peninsula that borders Albania, Macedonia, Montenegro, and Serbia. Despite its small size, the country has substantial mineral resources of cobalt, nickel, lead, lignite, silver, and zinc. Kosovo's territory is geologically composed of various sedimentary, magmatic, and metamorphic formations that contain deposits of aggregates and construction materials, bauxite, chromium, lead, magnesite, nickel, silver, and zinc. The country also has substantial hydropower and wind energy potential. The eastern Vardari Zone in the north forms the most important mineral zone and hosts the Trepca lead, silver, and zinc mines, which provided the majority of mineral production in the former Yugoslavia until its disintegration in 1990 (Independent Commission for Mines and Minerals, 2005b, c; 2011, p. 3; World Bank, The, 2011, p. 4; Ministry of Economic Development, 2014c; U.S. Department of State, 2015, p. 3; World Bank, The, 2015a, p. 10).

In 2014, Kosovo's mineral output was small by regional and world standards. The shares of mining and quarrying and manufacturing sectors in the country's gross domestic product (GDP) continued to be significantly below their past levels in the 1980s as a result of the deindustrialization and the accompanying loss of capacity that began in 1990 owing to political instability and the consequent armed conflict between ethnic Albanians and Serbs. Mineral commodity production increased significantly, from a relatively low base, in the years following Kosovo's declaration of independence in 2008. With the exception of cement, ferronickel, and steel plants, and marble quarries, which received foreign direct investment (FDI) from European countries and Israel, other mines and production facilities lacked the funding and technological upgrades necessary to resume or increase production. The legal ownership status of the Kosovo's most important mineral facility, the Trepca Mining Complex, remained unresolved as of yearend 2014 despite earlier plans to privatize it in order to revive lead and zinc output in the country. Kosovo remained reliant on lignite coal for power generation and energy consumption (Muhamet and others, 2010, p. 4; Kosovo Investment and Enterprise Support Agency, 2013; Kittner and others, 2014, p. 2; Group for Legal and Political Studies, 2015, p. 28; World Bank, The, 2015a, p. 10).

Minerals in the National Economy

In 2014, Kosovo's real GDP increased by 2.7%, which was a lower rate of growth than that of 2013. The nominal GDP in 2014 was \$7.27 billion, which was up from \$7.07 billion (revised) in the previous year. Kosovo's 5-year average economic rate of growth of 3.5% was the highest among the Western Balkan countries of Albania, Bosnia and Herzegovina, Croatia, Macedonia, Montenegro, and Serbia, although the economy continued to experience a high current account deficit and high unemployment. Economic growth was based

mainly on increased consumption, while there was a reduction in investment, particularly in FDI, and net exports (defined as exports minus imports) (Central Bank of Kosovo, 2015, p. 21, 25; International Monetary Fund, 2015, p. 4; World Bank, The, 2015a, p. 4; 2015b).

Mining and quarrying accounted for 2.3% of the GDP in constant prices in 2014 compared with 2.5% in 2013, while manufacturing accounted for 10.9% compared with 11.0% in 2013. The real rate of growth of the mining and quarrying industry varied greatly during the year, registering 20.6% in the first quarter, which was followed by -13.5% in the second, -7.4% in the third, and -0.9% in the fourth quarter of 2014. The contraction of mineral-related activity after the first quarter of 2014 was attributable to strikes that affected the industry and to a 46% decrease in FDI inflows owing in part to an uncertain investment climate caused by the lack of a new Government in the second half of the year (Central Bank of Kosovo, 2015, p. 29; Kosovo Agency of Statistics, 2015b, p. 5, 6; U.S. Department of State, 2015, p. 6; World Bank, The, 2015a, p. 4).

The value of Kosovo's total exports in 2014 was €324.6 million (\$414.0 million¹), compared with \$375.2 million (revised) in 2013. The almost 11% increase in the value of exports was mainly attributable to the increase in the value of exports of base metals, which continued to be the leading export category. The value of Kosovo's total imports in 2014 was \$3.237 billion compared with \$3.128 billion (revised) in 2013. Kosovo's trade deficit increased by 2.7% to \$2.824 billion in 2014 from \$2.753 billion in 2013, but the ratio of exports to imports increased slightly to 12.8% from 12% in 2013 (Central Bank of Kosovo, 2015, p. 28; Kosovo Agency of Statistics, 2015a, p. 7).

Mineral commodities were the leading export and import goods of Kosovo, although mineral imports decreased in terms of value in 2014. Ferronickel, lead, scrap metal, zinc, and industrial minerals, such as dimension stone, continued to be the leading sources of export revenue for the country's economy. Exports of base metals and articles thereof totaled about \$189.5 million, or about 46% of the total value of all exports. Exports of mineral products, which included industrial minerals, mineral fuels, and metal ores, but not processed metals, were valued at \$57.0 million and made up about 14% of the total value of all exports. Exports of mineral fuels were valued at \$31.8 million and accounted for 7.7% of exports. Mineral product imports were valued at about \$596.7 million and accounted for about 18% of the total value of all imports. Imports of base metals and articles thereof were valued at \$290.7 million and made up about 9% of total imports. Imports of mineral fuels were valued at \$473 million and accounted

¹Where necessary, values have been converted from euro area euros (€) to U.S. dollars (US\$) at an average rate of €0.784=US\$1.00 for 2014 and €0.783=US\$1.00 for 2013.

for 14.6% of imports. Imports of precious metals were valued at \$2.3 million and made up less than 0.1% of total imports (Central Bank of Kosovo, 2015, p. 28; Kosovo Agency of Statistics, 2015a).

Kosovo's main trading partners were the European Union (EU) countries, which accounted for approximately 43% of imports and 14% of exports, and the neighboring states of the Central European Free Trade Agreement (CEFTA), such as Albania, Bosnia and Herzegovina, Macedonia, Montenegro, and Serbia, which accounted for a 28% share of imports and a 36% share of exports. In 2014, Kosovo's exports to the United States were valued at \$586,000, which included \$38,000 in bauxite and aluminum. Kosovo's imports from the United States were valued at \$16.3 million; the country's only mineral import from the United States was fertilizers valued at \$118,000 (Kosovo Agency of Statistics, 2015a, p. 8; U.S. Census Bureau, 2015a, b; U.S. Commercial Service, 2015, p. 1).

Government Policies and Programs

Three Government agencies are broadly responsible for the mineral sector in Kosovo: the Independent Commission for Mines and Minerals (ICMM), the Ministry of Economic Development, and the Ministry of Environment and Spatial Planning. The ICMM is an independent regulatory agency that is responsible for implementing mining laws, regulations, and policies. It is in charge of (1) the issuance, transfer, suspension, and revocation of exploration and mining licenses and permits in Kosovo, and (2) the establishment and maintenance of the official mining register and the geographic information system (GIS) database of relevant geological and economic data for Kosovo. The Ministry of Economic Development is responsible for formulating legislation, policies, and strategies for mine development and for promoting new mineral research and exploitation in the country. It also regulates the mineral sector by setting standards and implementing regulations on safety and environmental protection. The Ministry of Environment and Spatial Planning evaluates Environmental Impact Assessments (EIA) submitted by companies, which report on the potential effects of mining projects, and is responsible for issuing Consents concerning mineral exploitation, which are required for the issuance of a license by the ICMM. An exploration license requires approval by the ICMM only, while an exploitation license requires the consent of the Ministry of Environment and Spatial Planning, the municipality, and the Ministry of Agriculture, Forestry and Rural Development if the licensed area is located in or close to a forest. A fourth agency, the Privatization Agency of Kosovo (PAK), also has an important function in the mineral sector; it is in charge of selling state-owned enterprises to private investors by issuing calls for tenders, including for major metal and other mineral production plants (Independent Commission for Mines and Minerals, 2005a; 2011, p. 5; World Bank, The, 2011, p. 11, 12, 13; Privatization Agency of Kosovo, 2014a; Western Balkans Investment Framework, undated).

Law No. 03/L-163 (on mines and minerals) of 2010 is the principal law governing mineral activity in Kosovo. The

law created zones of special interest for exploration and extraction of such key minerals as bauxite, chromite, lead, magnesite, nickel, and silver. In 2013, it was supplemented by law No. 04/L-158 (on amending and supplementing law No. 03/L-163), which simplified the process for obtaining a mining license. In addition, the 2011 Public Private Partnership (PPP) law No. 2011/04-L-045 opened major sectors of Kosovo's economy to FDI by harmonizing bidding procedures and investment regulations with the laws and regulations of the EU. In 2013, law No. 2013/04-L-220 defined fundamental rights and established ownership guarantees for foreign investors in accordance with international laws and standards. In 2014, law No. 04/L-232 (on Kosovo Geological Service) was passed to establish the Kosovo Geological Service, which would perform geologic research and update the Mining Cadastre and GIS of ICMM. The energy sector is regulated by the Energy Regulatory Office (ERO), which was established in 2004 and operated under law No. 03/L-185 (on the energy regulator) of 2010 to monitor the supply of electricity, heat, and natural gas, in accordance with law No. 03/L-184 (on energy) of 2010. The distribution, transmission, supply, usage, and storage of natural gas is regulated by law No. 03/L-133 (on natural gas) of 2009 (Ministry of Economic Development, 2014a, b; Institute for Development Research (RIINVEST), 2015, p. 13; U.S. Department of State, 2015, p. 4).

Production

Total production of lead concentrate and zinc concentrate for Kosovo from 2010 through 2014 includes output from the northern and southern sections of the Trepca Complex, which is located near Mitrovica in northern Kosovo. The northern section, which covers about 30% of the divided complex, was reported in 2012 to have produced 11,000 metric tons (t) of lead concentrate and almost 8,000 t of zinc concentrate, which represented only 15% of capacity. These figures have been added to production reported by the Kosovo Government-controlled southern section of the mine (table 1; Filipovic, 2013; Tanjug, 2015).

The production of lead and zinc ore in the southern section of the Trepca Complex increased by nearly 12% in 2014. Individual production data from the two main mines of Trepca, the Stan Terg Mine and the Artana Mine, were unavailable for the whole of the year of 2014. Total ore extracted in the first half of the year was 67,859 t in the Stan Terg Mine and 27,622 t in the Artana Mine. The average production from 2000 through 2013 was 82,211 metric tons per year (t/yr) in Stan Terg and 26,642 t/yr in Artana. The Trepca Complex as a whole was estimated to have operated at only one-fourth of its production capacity in 2014 (U.S. Agency for International Development, 2013, p. 11; Group for Legal and Political Studies, 2015, p. 13, 14, 15, 16).

In 2014, the production of silica sand increased more than threefold; iron and steel, by an estimated 25%; ferronickel (Ni content), by an estimated 18%; basalt, by 13%; cement, by an estimated 13%; lead (concentrate, gross weight), by 10%; and clay, by 10%. The production of dunite decreased by 88%; andesite, by 83%; marl, by 24%; and nickel (Ni content)

and lignite coal, by 12% each. Chromite and pumice output remained at zero in 2014 (table 1).

Structure of the Mineral Industry

The leading private mineral production companies were Newco Ferronikeli, which operated a nickel mining and smelting complex in Glogovac (owned by Cunico Resources NV of Israel); Sharrcem Sh.p.k., a cement manufacturing and limestone mining company in Hani i Elezit (owned by Titan Group of Greece); and Llamkos GalvaSteel, a steel manufacturer in Vushtrri (owned by Core Group of Russia). All three mineral facilities had foreign ownership as a result of privatization completed in 2005, 2010, and 2011, respectively. Lignite was produced by the Government-owned Kosovo Energy Corp. JSC (KEK), which was also the primary power generator in the country. KEK's energy distribution and supply arm, however, was owned by the Limak-Calik consortium of Turkey after it was privatized in 2012 as Kosovo Electricity Distribution and Supply Company (KEDS). From September 2013 through March 2014 (the latest time period for which detailed data were available), 17 new companies were registered in mining and quarrying and accounted for 0.33% of the total number of new companies. During the same period, four mining and quarrying companies closed (table 2; Privatization Agency of Kosovo, 2014b, p. 21, 22; Republic of Kosovo Government, 2014, p. 33, 34; Uberti, 2014, p. 488; Institute for Development Research RIINVEST, 2015, p. 19; U.S. Department of State, 2015, p. 5).

The Trepca Complex remained in a trust administered by the PAK and operated under a 2006 moratorium on the sale, removal, transfer, or rent of its assets as of yearend 2014. The Ministry of Economic Development had proposed in 2011 that Trepca's mines and processing operations be converted from socially owned enterprises (SOEs) into privately owned enterprises (POEs) in order to revitalize mineral commodity production. The privatization of these assets was put on hold in 2012, however, owing to complications that arose from unclear ownership stakes, unsettled debts, and opposition to the sale and transfer of ownership by the Government of Serbia, which also claimed ownership of the complex. In November 2013, the PAK announced a public tender for professional service providers to prepare the Reorganization Plan for Trepca, which would be submitted to the Special Chamber Court of the Supreme Court of Kosovo in July 2014. In September 2014, however, the PAK informed the Supreme Court that it was unable to comply with the obligation to submit a restructuring plan that would address outstanding creditor claims and privatize the complex because the tender had been annulled. In January 2015, the Supreme Court ruled that liquidation proceedings could be initiated against Trepca if the PAK did not submit the reorganization plan by February (Karadaku, 2012; Privatization Agency of Kosovo, 2014c, p. 47; Bytyci, 2015; Group for Legal and Political Studies, 2015, p. 25, 28; U.S. Commercial Service, 2015, p. 5).

As of April 2014, there were a total of 427 mineral licenses in effect in Kosovo, of which 117 were issued by the ICMM for exploration, 193 for extraction, and 117 for specific activities, such as reparation. In 2013 (the last year for which detailed

data were available), of 297 applications submitted for new licenses, 178 were granted: 67 were exploration licenses; 52, extraction licenses; and 59, permits for specific activities. Of exploration licenses, 38 were for dimension stone; 20, for metals; 6, for industrial minerals; and 3, for silica sand. Most extraction licenses were issued for dimension stone. Only eight new extraction licenses were issued for metals, of which four were granted to the Trepca administration (Artana, Belo Brdo, Crnac, and Stan Terg), and two to Newco Ferronikeli (Glogovac and Lipjan). Only three new extraction licenses were issued for industrial minerals, one of which was granted to Sharrcem (Kacanik) (Independent Commission for Mines and Minerals, 2014a; b, p. 56, 59, 64)

Table 2 is a list of major mineral industry facilities.

Commodity Review

Metals

Chromium.—Arsi Sh.p.k. Ltd., which was the only chromite exploration company in Kosovo, held five exploration licenses and one extraction license in Kosovo as of April 2014. The company began production of chromite through open pit mining at the Briu i Gjeletocit deposit on its Llapceve property in 2012, with a projected goal of producing 100,000 t/yr at 30% chromium oxide (Cr_2O_3). Arsi reported production of 1,700 t of chromite ore at 26% to 30% Cr_2O_3 for the first three quarters of 2012. No production was reported for 2013 and 2014. No further updates were available for the Llapceve property (Arsi Sh.p.k., 2013, p. 2, 3, 8, 9; Independent Commission for Mines and Minerals, 2014a, p. 1, 2, 3).

Ferronickel and Nickel.—The production of ferronickel and nickel each increased by 18% in 2014 compared with that of 2013. Newco Ferronikeli, which was the only producer of ferronickel and nickel in Kosovo, reported that annual ferronickel output at its Glogovac plant was expected to exceed 9,000 t in 2014 owing to a new investment in equipment, and to eventually reach 12,000 t in a few years. It was estimated that only about one-half of the nickel ore processed at the plant was supplied by the adjacent Chikatovo and Glavitza Mines, which were also owned by Cunico Resources. The remaining 50% of input was made up of imports from Albania, Turkey, and East Asian countries (Cunico Resources NV, 2014; Uberti, 2014, p. 497).

Gold and Silver.—In April 2014, Avrupa Minerals Ltd. of Canada entered into a joint venture with Byrnegut International Ltd. of Australia for the Slivovo gold and silver project, which is located about 15 kilometers southeast of Prishtina. In December 2014, Avrupa Minerals reported that drilling intercepted rocks at 126.5 meters that assayed 6.2 grams per ton (g/t) gold, 15.0 g/t silver, 0.092% copper, 0.16% lead, and 0.45% zinc. The company completed drilling seven holes in the Peshter Gossan target area from April through December 2014 and expected to obtain results from two subsequent drill holes in January 2015 (Avrupa Minerals Ltd., 2014a, b; 2015).

Iron and Steel.—Core Group, which was the owner of Llamkos GalvaSteel, was in the process of building a steel-recycling mill in Vushtrri since March 2013 in order to begin production of rebar (reinforcing steel bars). When completed,

the mill would have the capacity to convert 210,000 t/yr of billets into rebar using a 40-metric-ton-per-hour reheating furnace, a rolling-mill ladle car, a water-quenching system, and shearing and bundling equipment. Core Group also planned to increase the melting capacity from 160,000 t/yr in the near future to produce more steel billets from steel scrap, but would rely on other sources in the meantime. Rebar production was originally planned to begin in the spring of 2014, but no further updates were available as of yearend 2014 (Core Group, 2013; Steel Business Briefing, 2013).

Industrial Minerals

Cement.—In 2014, Sharrcem, a subsidiary of the TITAN Group of Greece, had a 70% share of the cement market in Kosovo. Cement consumption in the country increased to 0.9 million metric tons (Mt) in 2014 from 0.8 Mt in 2013, of which 30% was imported mainly from other Balkan countries, such as Albania and Macedonia. Capacity utilization at Sharrcem's cement plant in Hani I Elezit was estimated to have increased to 74% in 2014 from 67% in 2013. In 2012, TITAN Group received a \$64 million equity investment from the International Finance Corporation to support its subsidiaries in Kosovo, Macedonia, and Serbia. This investment helped the three companies, which had a total capacity of about 3.5 million metric tons per year, to improve their energy efficiency and environmental quality, and to increase their vertical integration. In August 2014, Sharrcem was acquitted of the charge of abuse of its dominant position in the Kosovo cement market, which had been brought against the company by the Kosovo Competition Authority in 2012 (International Cement Review, 2012; TITAN Group, 2015a, p. 107; b, p. 32, 33).

Limestone.—Fox Marble Holdings plc of the United Kingdom, a leading marble quarrying and extraction company in Kosovo, in December 2014 signed a \$1.9 million sales deal with a Gibraltar-based customer to deliver three marble shipments over an 18-month period. The company was also in negotiations to export marble to China, India, and Italy. Fox Marble extracted about 14,000 t of marble in 2014 from its three operational quarries, of which 6,500 t was quarried in Cervenilla, 6,000 t in Syrigane, and 1,500 t in Malesheva. The Malesheva quarry, which produced Bianco Illirico marble for which demand was particularly strong in North America, was expected to reach full commercial production in 2015. Fox Marble was building a double-skinned steel plant for the cutting and processing of stone blocks into polished tiles and slabs for exporting in Lipjan, which is close to the Prishtina airport. The Lipjan plant was expected to begin operating in 2015 (Proactive Investors, 2014; Fox Marble Holdings plc, 2015, p. 3, 5, 6, 8).

Mineral Fuels and Related Materials

Coal remained the only mineral fuel produced in Kosovo. All petroleum and petroleum products were imported, mainly from Greece, Italy, and Macedonia. There was no production, consumption, or importation of natural gas. In 2013 (the latest year for which detailed data were available), coal made up 65.3% of the country's primary energy supply. Petroleum

and petroleum products accounted for 23.6%; biomass, 10.2%; imported electricity, 0.5%; and hydropower, 0.4%. Coal provided 97% of domestic electricity generation, while hydropower accounted for only 3% of electricity. The Government's National Renewable Energy Action Plan (NREAP) of 2013 planned to increase the share of renewable energy sources, such as hydropower, wind, and solar energy, in electrical energy generation to 8% by 2016 and in gross final energy consumption to 25% by 2020 (Energy Regulatory Office, 2013, p. 22, 25; Ministry of Economic Development, 2013, p. 6; European Commission, 2014, p. 4; United Nations Development Programme, 2014a, p. 11; 2014b, p. 2).

Coal.—Kosovo's proven lignite reserves were estimated to be about 14.7 billion metric tons, most of which were considered minable. The country's major lignite basins were the Dukagjini basin and the Kosovo basin, which included the major Sibovc deposit with a high average stripping ratio. Lignite continued to be the major source of domestic power generation in the country, but it had low energy content, averaging 2.2 kilowatthour per kilogram of lignite, which limited its use to large-scale powerplants (Independent Commission for Mines and Minerals, 2005b; World Bank, The, 2011, p. 4; Kosovo Civil Society Consortium for Sustainable Development, 2014, p. 9).

Almost all electricity generation capacity in Kosovo came from two old lignite-fired thermal powerplants operated by KEK—Kosovo A and Kosovo B, whose available capacity and net output were low and emissions of moisture and ash were high. In June 2014, the 40-year-old Kosovo A powerplant had a major explosion that temporarily shut down the country's entire power system. The Government's Energy Sector Strategy aimed to decommission the Kosovo A powerplant by 2017 to comply with the Energy Community Treaty, to rehabilitate the Kosovo B powerplant to comply with EU environmental standards, and to construct new electricity generation capacity with private sector investment. In 2014, in order to achieve the latter goal, the Government issued a tender for a new 600-megawatt-capacity coal-fired powerplant, Kosovo C, and a new lignite mine to be constructed near the capital city of Prishtina (World Bank, The, 2010, p. 7; European Bank for Reconstruction and Development, 2014; European Commission, 2014, p. 4; Kosovo Civil Society Consortium for Sustainable Development, 2014, p. 9; U.S. Department of State, 2015, p. 5).

Outlook

Kosovo is expected to remain a modest producer of mineral commodities, but it is likely to continue increasing its cement, dimension stone (marble), ferronickel, nickel, and steel output owing to new business investments and improvements in operational efficiency. Exploration for gold and silver is at an early stage and is not expected to lead to precious-metal extraction in the country soon. The Trepca Complex has the potential to become a regionally significant producer of lead and zinc, but this would require major investment in the mines and the resolution of multiple ownership and creditor claims, neither of which seems likely to happen in the near future. Similarly, Kosovo's significant reserves of lignite could make it a leading producer of coal in the world, but this would depend on global

demand as well as the opening of new mines for extraction. The country is expected to increase its renewable energy production in the coming years, but it is likely to continue to rely on lignite coal to meet most of its energy needs for the foreseeable future.

References Cited

- Arsi Sh.p.k., 2013, Arsi's chromium and base metal projects—Kosovo: Tirana, Albania, Arsi Group, February, 19 p. (Accessed July 10, 2015, at <http://www.arsi-group.com/wp-content/uploads/2013/04/Arsi-Presentation.pdf>.)
- Avrupa Minerals Ltd., 2014a, Avrupa advances projects in Portugal, Kosovo and Germany: Avrupa Minerals Ltd. news release, June 9. (Accessed July 22, 2015, at http://www.avrupaminerals.com/news/2014/index.php?&content_id=168.)
- Avrupa Minerals Ltd., 2014b, Avrupa drills 126.5 meters of 6.2 g/t Au at Slivovo JV, Kosovo: Avrupa Minerals Ltd. news release, December 17. (Accessed July 22, 2015, at http://www.avrupaminerals.com/news/2014/index.php?&content_id=178.)
- Avrupa Minerals Ltd., 2015, Projects—Kosovo: Avrupa Minerals Ltd. Web page. (Accessed July 22, 2015, at <http://www.avrupaminerals.com/projects/kosovo/>.)
- Bytyci, Fatos, 2015, Kosovo moves to take control of mining giant anger Serbia: Thomson Reuters, January 16. (Accessed July 19, 2015, at <http://www.reuters.com/article/2015/01/16/kosovo-serbia-mining-idUSL6NOUV1MZ20150116>.)
- Central Bank of Kosovo, 2015, Annual report 2014: Prishtina, Kosovo, Central Bank of Kosovo, June, 144 p. (Accessed July 15, 2015, at <http://bqk-kos.org/repository/docs/2015/CBK-RV-2014.pdf>.)
- Core Group, 2013, Llamkos Steelworks: Core Group Web page. (Accessed July 23, 2015, at <http://coregroupuk.com/mn/nano-mill-2/>.)
- Cunico Resources NV, 2014, Newco Ferronikeli: Cunico Resources NV Web page. (Accessed July 22, 2015, at <http://www.cunicoresources.com/b/ferronikeli.php>.)
- Energy Regulatory Office [Kosovo], 2013, Statement of security of supply for Kosovo (Electricity, natural gas, and oil): Prishtina, Kosovo, Energy Regulatory Office, July, 26 p. (Accessed August 20, 2015, at [https://www.energy-community.org/portal/page/portal/ENC_HOME/DOCS/2422181/Statement_of_Security_of_Supply_for_Kosovo_\(Electricity_Gas_Oil\)_Final_Eng.pdf](https://www.energy-community.org/portal/page/portal/ENC_HOME/DOCS/2422181/Statement_of_Security_of_Supply_for_Kosovo_(Electricity_Gas_Oil)_Final_Eng.pdf).)
- European Bank for Reconstruction and Development, 2014, Transition report 2014—Kosovo: European Bank for Reconstruction and Development, November 1. (Accessed July 13, 2015, at <http://2014.tr-ebd.com/kosovo/>.)
- European Commission, 2014, Instrument for pre-accession assistance (IPA II)—2014–2020—Kosovo—Kosovo A decommissioning and feasibility study on Kosovo B TPP: Brussels, Belgium, European Commission, October 27, 16 p. (Accessed July 20, 2015, at http://ec.europa.eu/enlargement/pdf/kosovo/ipa/2015/12_ipa_2014_kosovo_a_decommissioning_20141027.pdf.)
- Filipovic, Gordana, 2013, Serbia seeks investment in Trepca mines ahead of Kosovo talks: Bloomberg, May 17. (Accessed July 10, 2015, at <http://www.bloomberg.com/news/2013-05-17/serbia-seeks-investment-in-trepca-mines-ahead-of-kosovo-talks.html>.)
- Fox Marble Holdings plc, 2015, Annual report and accounts 2014: London, United Kingdom, Fox Marble Holdings plc, April, 55 p. (Accessed July 23, 2015, at <http://www.foxmarble.net/s/2014-Annual-Report-web.pdf>.)
- Group for Legal and Political Studies, 2015, The future of the property status of Trepca and its development (revitalisation) perspective: Prishtina, Kosovo, Group for Legal and Political Studies Policy Report no. 4, May, 41 p. (Accessed July 20, 2015, at <http://legalpoliticalstudies.org/wp-content/uploads/2015/06/Policy-Report-No.4-Revitalisation-of-Trepca.pdf>.)
- Independent Commission for Mines and Minerals [Kosovo], 2005a, About us—The mission: Independent Commission for Mines and Minerals Web page. (Accessed June 15, 2015, at <http://www.kosovo-mining.org/kosovoweb/en/icmm/mission.html>.)
- Independent Commission for Mines and Minerals [Kosovo], 2005b, Geography: Independent Commission for Mines and Minerals Web page. (Accessed June 15, 2015, at <http://www.kosovo-mining.org/kosovoweb/en/kosovo/geography.html>.)
- Independent Commission for Mines and Minerals [Kosovo], 2005c, Mineral deposits: Independent Commission for Mines and Minerals Web page. (Accessed June 15, 2015, at <http://www.kosovo-mining.org/kosovoweb/en/mining/minerals.html>.)
- Independent Commission for Mines and Minerals [Kosovo], 2011, Discover the mineral resources of Kosovo: Prishtina, Kosovo, Independent Commission for Mines and Minerals, 13 p. (Accessed July 16, 2015, at http://www.invest-ks.org/repository/docs/Discover_the_Mineral_Resources_of_Kosovo_97075.pdf.)
- Independent Commission for Mines and Minerals [Kosovo], 2014a, Licenses: Prishtina, Kosovo, Independent Commission for Mines and Minerals, April, 6 p. (Accessed June 22, 2015, at <http://www.kosovo-mining.org/kosovoweb/en/icmm/licensat/basicContentParagraphs/01/document/Lista%20e%20licencave%20te%20leshuara.pdf>.)
- Independent Commission for Mines and Minerals [Kosovo], 2014b, Raporti vjetor për vitin 2013 [Annual report for the year 2013]: Prishtina, Kosovo, Independent Commission for Mines and Minerals, March, 94 p. (Accessed June 18, 2015, at http://www.kosovo-mining.org/kosovoweb/al/downloads/publications/basicContentParagraphs/012/document/Raporti%20vjetor_KPMM_2013%20-%20shqip.pdf.)
- Institute for Development Research (RIINVEST), 2015, Privatisation in the energy sector: Prishtina, Kosovo, Institute for Development Research (RIINVEST), 31 p. (Accessed July 22, 2015, at http://www.riinvestinstitute.org/publikimet/pdf/Privatizimi_Sektori_energjise_eng1435070938.pdf.)
- International Cement Review, 2012, IFC invests in Titan's operations in Western Balkans: International Cement Review Newsroom, June 27. (Accessed July 23, 2015, at <http://www.cemnet.com/News/story/150044/ifc-invests-in-titan-s-operations-in-western-balkans.html>.)
- International Monetary Fund, 2015, Republic of Kosovo—2015 Article IV consultation—Staff report—Press release—And statement by the executive director for Kosovo: Washington, DC, International Monetary Fund, May, 66 p. (Accessed July 13, 2015, at <http://www.imf.org/external/pubs/ft/scr/2015/cr15131.pdf>.)
- Karadaku, Linda, 2012, Privatisation of Kosovo's Trepca Mine delayed: Southeast European Times [Stuttgart, Germany], August 6. (Accessed June 15, 2014, at http://www.setimes.com/cocoon/setimes/cocoon/setimes/xhtml/en_GB/features/setimes/features/2012/08/06/feature-01.)
- Kittner, Noah, Dimco, Hilda, Azemi, Visar, Tairyan, Evgenia, and Kammen, D.M., 2014, Sustainable energy pathways for Kosovo: Prishtina, Kosovo, Kosovo Civil Society Consortium for Sustainable Development, November, 31 p. (Accessed July 21, 2015, at http://www.kosid.org/file/repository/Sustainable_Energy_for_Kosovo_Energy_Policy_kosid.pdf.)
- Kosovo Agency of Statistics, 2015a, External trade statistics—January–December 2014: Prishtina, Kosovo, Kosovo Agency of Statistics, January. (Accessed July 13, 2015, at https://ask.rks-gov.net/ENG/external-trade/publications/cat_view/14-external-trade/92-external-trade-statistics-2014.)
- Kosovo Agency of Statistics, 2015b, Quarterly gross domestic product—Q4—2014: Prishtina, Kosovo, Kosovo Agency of Statistics, June 11, 12 p. (Accessed July 13, 2015, at https://ask.rks-gov.net/ENG/national-account/publications/doc_view/1306-quarterly-gross-domestic-product-q4-2014?tmpl=component&format=raw.)
- Kosovo Civil Society Consortium for Sustainable Development, 2014, A policy solution for the energy sector in Kosovo: Prishtina, Kosovo, Kosovo Civil Society Consortium for Sustainable Development, May, 21 p. (Accessed July 20, 2015, at http://www.indep.info/documents/5475_INDEP_A_policy_solution_for_the_energy_sector_in_Kosovo.pdf.)
- Kosovo Investment and Enterprise Support Agency, 2013, Foreign direct investment has increased in Kosovo: Kosovo Investment and Enterprise Support Agency news release. (Accessed August 20, 2015, at http://www.invest-ks.org/en/arkiva_2013/2013-54.)
- Ministry of Economic Development, 2013, Annual energy balance of the Republic of Kosovo for the year 2014: Prishtina, Kosovo, Ministry of Economic Development, December, 29 p. (Accessed July 18, 2015, at http://mzhe.rks-gov.net/repository/docs/Balanca_vjetore_2014_ang.pdf.)
- Ministry of Economic Development [Kosovo], 2014a, Energy—Legislation: Ministry of Economic Development. (Accessed July 19, 2015, at <http://mzhe.rks-gov.net/?page=2,139>.)
- Ministry of Economic Development [Kosovo], 2014b, Mining—Legislation: Ministry of Economic Development. (Accessed July 19, 2015, at <http://mzhe.rks-gov.net/?page=2,197>.)
- Ministry of Economic Development [Kosovo], 2014c, Mining: Ministry of Economic Development. (Accessed July 19, 2015, at <http://mzhe.rks-gov.net/?page=2,250>.)
- Muhamet, Mustafa, Alban, Zogaj, and Lumir, Abdixhiku, 2010, Challenges of reindustrialization in Kosovo: Adriatic-Balkan Area From Transition to Integration, Ancona, Italy, May 21–22, 2010, Conference Working Paper, 16 p. (Accessed July 22, 2015, at <http://www.cirab.univpm.it/sites/www.cirab.univpm.it/files/cirab/docs/Mustafa.doc>.)

- Privatization Agency of Kosovo, 2014a, About PAK: Privatization Agency of Kosovo. (Accessed July 20, 2015, at <http://www.pak-ks.org/?page=2,4>.)
- Privatization Agency of Kosovo, 2014b, Financial statements of trust funds for the period ended on 30 September 2014—Tables of financial reports: Prishtina, Kosovo, Privatization Agency of Kosovo, October 31, 164 p. (Accessed July 20, 2015, at http://www.pak-ks.org/repository/docs/141103_PASQYRAT_FINANCIARE_Fondet_ne_Mirebesim_Janar-Shtator_2014_ENGLISH.PDF.)
- Privatization Agency of Kosovo, 2014c, PAK annual report 2013: Prishtina, Kosovo, Privatization Agency of Kosovo, March. 141 p. (Accessed July 13, 2015, at http://www.pak-ks.org/repository/docs/Raporti_2013_komplet_ENG.pdf.)
- Proactive Investors, 2014, Fox Marble surges on €1.5mln sales deal: Proactive Investors, December 4. (Accessed July 23, 2015, at <http://www.proactiveinvestors.co.uk/companies/news/64217/update-fox-marble-surges-on-15mln-sales-deal-75034.html>.)
- Republic of Kosovo Government, 2014, First input of institutions of the Republic of Kosovo to the European Commission 2014 progress report: Prishtina, Kosovo, Republic of Kosovo Government, May, 142 p. (Accessed July 15, 2015, at http://www.mei-ks.net/repository/docs/0_1st_Input_to_the_2014_Progress_Report_Final.pdf.)
- Steel Business Briefing, 2013, Kosovo's Llamkos to launch rebar production in 2014: Steel Business Briefing, March 1. (Accessed July 23, 2015, via https://www.steelbb.com/?PageID=157&article_id=117619.)
- Tanjung, 2015, Mine takeover could trigger unrest in north Kosovo: B92.net, January 16. (Accessed July 21, 2015, at http://www.b92.net/eng/news/politics.php?yyyy=2015&mm=01&dd=16&nav_id=92896.)
- TITAN Group, 2015a, Integrated annual report 2014—Position for sustainable growth: Athens, Greece, TITAN Group, 117 p. (Accessed July 8, 2015, at http://integratedreport2014.financial.titan.gr/Uploads/2014_TITAN_Integrated_Report.pdf.)
- TITAN Group, 2015b, TITAN Cement Group: Athens, Greece, TITAN Group investor presentation, May, 41 p. (Accessed July 8, 2015, at http://ir.titan.gr/titan/uploads/financials/2015/3M/InvestorPresentation-May2015_web.pdf.)
- Uberti, L.J., 2014, Neoliberalism and industrial policy in Kosovo—The mining and metals industry in the post-war transition: *East European Politics*, v. 30, no. 4, p. 482–506.
- United Nations Development Programme, 2014a, Environmental impact assessment/strategic environmental assessment that integrates climate change and biodiversity, SLED project—Assessment report: New York, New York, United Nations Development Programme, October 15, 144 p. (Accessed July 19, 2015, at http://www.ks.undp.org/content/dam/kosovo/docs/SLED/Assessment_Report%20Environmental%20Impact%20Assessment%20%20Strategic%20Environment%20Assessment%20that%20Integrates%20Climate%20Change%20and%20Biodiversity%202014_1.pdf.)
- United Nations Development Programme, 2014b, Kosovo: New York, New York, United Nations Development Programme, 4 p. (Accessed July 19, 2015, at <http://www.eurasia.undp.org/content/dam/rbec/docs/Kosovo.pdf>.)
- U.S. Agency for International Development, 2013, Kosovo—2014–2018 country development cooperation strategy: Washington, DC, U.S. Agency for International Development, 53 p. (Accessed July 13, 2015, at http://www.usaid.gov/sites/default/files/documents/1863/CDCS_Kosovo.pdf.)
- U.S. Census Bureau, 2015a, U.S. exports to Kosovo by 5-digit end-use code—2005–2014: U.S. Census Bureau. (Accessed July 16, 2015, at <http://www.census.gov/foreign-trade/statistics/product/enduse/exports/c4803.html>.)
- U.S. Census Bureau, 2015b, U.S. imports from Kosovo by 5-digit end-use code—2005–2014: U.S. Census Bureau. (Accessed July 16, 2015, at <http://www.census.gov/foreign-trade/statistics/product/enduse/imports/c4803.html>.)
- U.S. Commercial Service, 2015, Doing business in Kosovo—2015 country commercial guide for U.S. companies: Prishtina, Kosovo, U.S. Department of Commerce, June 24, 77 p. (Accessed July 15, 2015, at http://www.buyusainfo.net/docs/x_6753997.pdf.)
- U.S. Department of State, 2015, Kosovo investment climate statement 2015: Washington, DC, U.S. Department of State, June, 22 p. (Accessed July 13, 2015, at <http://www.state.gov/documents/organization/241830.pdf>.)
- Western Balkans Investment Framework, undated, Summary of the EIA process in Kosovo: Prishtina, Kosovo, Western Balkans Investment Framework, 5 p. (Accessed July 21, 2015, at http://www.wbif.eu/uploads/attached_document/document/996333159/Kosovo_Country_Profile.pdf.)
- World Bank, The, 2010, World Bank Group support to Kosovo's energy sector: Washington, DC, The World Bank presentation, 24 p. (Accessed July 22, 2015, at http://siteresources.worldbank.org/KOSOVOEXTN/Resources/297769-1329940905064/kosovo_slideshow.pdf.)
- World Bank, The, 2011, Kosovo—Regulatory reform for promoting sustainable mining sector development: Washington, DC, Poverty Reduction and Economic Management Unit Europe and Central Asia Region, June, 32 p. (Accessed July 14, 2015, at http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2012/06/20/000333038_20120620013117/Rendered/PDF/621150ESW0P1230g0sector0development.pdf.)
- World Bank, The, 2015a, Country snapshot—Kosovo: Washington, DC, The World Bank Group in Kosovo, April, 23 p. (Accessed July 15, 2015, at <http://www.worldbank.org/content/dam/Worldbank/document/eca/Kosovo-Snapshot.pdf>.)
- World Bank, The, 2015b, Data—By country—Kosovo: Washington, DC, The World Bank Group. (Accessed July 13, 2015, at <http://data.worldbank.org/country/kosovo>.)

TABLE 1
KOSOVO: PRODUCTION OF MINERAL COMMODITIES¹

(Metric tons unless otherwise specified)

Commodity ²	2010	2011	2012	2013	2014
METALS					
Chromium, chromite ore, 26% Cr ₂ O ₃	--	--	1,700 ^r	-- ^r	--
Ferrous alloys:					
Ferronickel, gross weight ^c	38,200	41,000	30,200	33,300 ^r	39,100
Ni content ³	8,790	9,435	6,944	7,652 ^r	9,000 ^c
Iron and steel	thousand metric tons		120 ^c	120 ^c	150 ^c
Lead and zinc:					
Ore, gross weight	185,842	233,115	225,490	252,768	282,254
Mine output, Pb content	7,700	7,100	6,700	7,400	7,900
Mine output, Zn content	6,400	6,600	6,600	7,100	7,700
Concentrate:					
Lead:					
Concentrate, gross weight	19,232	18,471	19,298	20,025	22,045
Pb content	13,400	11,200	12,300	14,200	15,300
Zinc:					
Concentrate, gross weight	16,678	15,409	17,695	18,417	19,696
Zn content	7,900	6,000	7,000	8,800	9,300
Nickel:					
Ore, wet, gross weight	779,506	683,855	379,151	623,504	565,056
Mine output, Ni content	9,100	7,700	4,400	7,600	6,700
INDUSTRIAL MINERALS					
Andesite	cubic meters		NA	NA	34,057
Basalt	do.		--	--	8,743
Cement ^c	thousand metric tons		420 ^r	420 ^r	535
Clay ⁴	do.		22,900	38,800	55,300
Dunite	cubic meters		--	--	95,284
Limestone	do.		2,606,047	3,282,964	2,666,449
Marl	do.		302,630	259,616	128,161
Pumice and related materials, volcanic tuff ^c	do.		60,000	60,000	--
Sand and gravel, excluding glass sand	do.		18,533	32,819	22,749
Silica sand (glass sand)	do.		25,178	19,711	22,490
MINERAL FUELS AND RELATED MATERIALS					
Coal, lignite	thousand metric tons		7,958	8,212	8,028
				8,219	7,204

^cEstimated; estimated data are rounded to no more than three significant digits. ^rRevised. do. Ditto. NA Not available. -- Zero.

¹Table includes data available through July 24, 2015.

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.

³About 50% of the nickel ore processed for ferronickel production in Kosovo was imported from other countries.

⁴Converted based on reported production in cubic meters: 2010—38,925; 2011—65,930; 2012—94,008; 2013—85,134; and 2014—93,924.

TABLE 2
KOSOVO: STRUCTURE OF THE MINERAL INDUSTRY IN 2014

(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)]	Cement plant in Hani i Elezit, on border with Macedonia	835
Chromite	Arsi Sh.p.k. Ltd.	Llapceve, about 12 kilometers north of Rahovec	NA
Coal, lignite	Kosovo Energy Corp. JSC (Government owned)	Bardh and Mirash Mines, just west of Pristina	NA
Iron and steel	Llamkos GalvaSteel (Core Group)	Steel plant in Vushtrri, northeastern Kosovo	210
Kaolin	NA	Karaceva i Ulte Mine and ceramic tile factory in Kamenica	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
Do.	do.	Cicavica Mine, northern Kosovo	NA
Do.	do.	Hajvalia Mine, 8 kilometers southeast of Pristina	NA ¹
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
Do.	Trepca Complex (Serbian controlled)	Concentrator in northern Mitrovica	126
Metal:			
Lead	do.	Lead smelter at Zvecan	NA
Zinc	do.	Zinc smelter at Mitrovica	NA
Limestone	Fox Marble Holdings plc	Cervenilla, Malesheva, Rahovec, and Syrigane quarries	20
Do.	Sharrcem Sh.p.k. [Sharr Beteiligungs GmbH (Titan Group)]	Hani i Elezit Mine, on border with Macedonia	NA
Magnesite ²	XIM Strezoc Magnesite Mine LLC ("Iminggrup mgo" Sh.p.k.)	Mine and processing plant in Strezovce, Kamenica municipality	45
Do.	Mine and Industry of Magnesite Goleshi LLC ("Iminggrup mgo" Sh.p.k.)	Magure, Lipljan municipality	NA
Nickel:			
Ore	Newco Ferronikeli (Cunico Resources NV)	Mines at Chikatovo (Dushkaja and Suke Mines) and Glavitca	NA
Metal ³	do.	Ferronickel plant at Glogovac, about 20 kilometers west of Pristina	12

^eEstimated. Do., do. Ditto. NA Not available.

¹The Hajvalia Mine was flooded and has not produced any lead-zinc ore since the late 1990s.

²There were no active magnesite mines in Kosovo in 2014.

³Nickel in ferronickel.