



# 2014 Minerals Yearbook

---

## MONTENEGRO

---

# THE MINERAL INDUSTRY OF MONTENEGRO

By Sinan Hastorun

Montenegro is a European Union (EU) candidate country located in the western Balkan Peninsula that borders Albania, Bosnia and Herzegovina, Kosovo, and Serbia. The country produced a limited number of mineral commodities, none of which was regionally or globally significant, but it has the potential to become a regionally important coal and hydrocarbon producer. Montenegro's mineral industry included the mining and processing of bauxite, industrial minerals, and lignite coal. Metal production included alumina refining, primary aluminum smelting, and steelmaking. The country's mineral industry underwent a recovery in 2014 after its largest mineral company and sole aluminum producer, Kombinat Aluminijuma Podgorica (KAP), resumed production and its leading bauxite producer, Rudnici Boksita, increased its output. Iron and steel production continued to increase as Tosçelik Niksic A.D., which was Montenegro's primary iron and steel company, continued its plant modernization program. Montenegro's first tender for offshore hydrocarbon exploration and extraction received bids from foreign companies for all blocks that were offered for concession in the country's Exclusive Economic Zone (EEZ) in the Adriatic Sea (tables 1, 2; Bađrik, 2014; Dimitrievska, 2014b; Ministry of Economy, 2014a; MnNews, 2014b; Prekic, 2014b).

## Minerals in the National Economy

In 2014, Montenegro's real gross domestic product (GDP) increased by 1.8%, down from a 3.5% rate of growth in 2013. The nominal GDP in 2014 was \$4.6 billion. The economic slowdown was owing to a deceleration in construction activity, which was attributed to delays in infrastructure projects and to decreased exports as a result of lower demand by Montenegro's neighboring trading partners in the Balkan Peninsula. Mineral production, in particular that of base metals, increased, while industrial production contracted in 2014 in large part owing to a substantial decrease in electricity generation (European Commission, 2014, p. 29; 2015, p. 128; International Monetary Fund, 2015, p. 4; Statistical Office of Montenegro, 2015b, p. 2; World Bank, 2015a; b, p. 2).

The minerals industry continued to be a small component of Montenegro's GDP, although its share of GDP increased in 2014. Mining and quarrying made up 1.1% of gross output in constant prices, which was a slight increase from 1.0% in the previous year, while manufacturing accounted for 3.9%, which was a decrease from 4.2% (revised) in 2013. The gross value added by the mining and quarrying sector in constant prices decreased by 0.1% in 2014 compared with a decrease of 6.9% in 2013, while the gross value added by the manufacturing sector decreased by 2.1% compared with an increase of 6.5% (revised) in 2013 (Statistical Office of Montenegro, 2015b, p. 6, 8).

Mining and quarrying output increased by 14.4% in 2014 compared with that of 2013, while industrial production decreased by 11.4% compared with that of 2013. Within

mining and quarrying, output of metal ore increased by 214.9% owing in large part to increased aluminum and bauxite production, while output of coal and lignite decreased by 2.1%. Manufacturing output decreased by 6.7% in 2014 compared with that of 2013. Within manufacturing, output of nonmetallic mineral products increased by 0.4%. Output of fabricated metal products decreased by 86.6%; base metals, by 15.5%; and chemicals and chemical products, by 0.3%. Energy production, including electricity, gas, and steam, decreased by 19.6% in 2014 (Statistical Office of Montenegro, 2015c, p. 2).

## Government Policies and Programs

Montenegro continued to align its legal framework, including its mining and energy laws, with EU legislation as a precondition of membership. In July 2014, the Government adopted the Energy Development Strategy through 2030 in order to establish a competitive market in the distribution and sale of mineral fuels and electricity in accordance with the Third Energy Package of the European Energy Community. As of yearend 2014, the Ministry of Economy was in the process of drafting a National Renewable Energy Action Plan in accordance with the European Commission's Renewable Energy Directive 2009/28/EC-Decision 2009/548/EC, that aimed to increase the share of renewable energy sources in final energy consumption to 33% by 2020. Montenegro had no strategic reserves of crude petroleum, no established internal gas market, and had not yet adopted a national renewable energy action plan (European Commission, 2014, p. 14, 29, 30; Ministry of Economy, 2015, p. 1; Moravcevic and Lakovic, 2015, p. 133).

The Law on the Protection of National Interests in the Mining-Metallurgical Sector (Official Gazette of Montenegro No. 58/13), which had been adopted by the Parliament in 2013, was found unconstitutional by the Constitutional Court of Montenegro in April 2014. The law had stipulated a requirement of prior approval by the Parliament before a sales agreement could be concluded for the transfer of a bankrupt mining or metallurgical company to a new owner. With the voiding of the law, the bankruptcy court remained the sole authority in the sale of such companies (Constitutional Court of Montenegro, The, 2014; Ministry of Economy, 2014b).

The Government undertook further steps to establish the legal framework for exploration and exploitation of offshore mineral fuel resources and thereby diversify national energy sources and increase public revenues. In July 2014, the Parliament adopted the Law on Hydrocarbons Tax, Law No. 31/2014, which enacted the tax policy on profits generated by extraction, production, transportation, and delivery of oil and gas. The tax rate for hydrocarbon upstream operations was set at 54% (Ministry of Economy, 2014c; Moravcevic and Lakovic, 2015, p. 131).

## Production

Montenegro experienced substantial increases in the production of all its mineral commodities except for gravel, lime, and salt in 2014. Aluminum production resumed after stopping in 2013, while bauxite and steel production increased. Production of alumina and lime ceased in 2010 and 2012, respectively. Lignite production continued to decrease, albeit at a lower rate. In 2014, production of aluminum increased by about 177% compared with that of 2013; bauxite, by 154%; sand, by 115%; crushed and broken stone, by 64%; other stone products, by 29%, and ornamental stone (marble blocks), by 12%. On the other hand, production of salt ceased and that of gravel decreased by 24% (table 1).

## Structure of the Mineral Industry

The leading production companies in the minerals industry were privately owned, with the exception of bauxite producer Rudnici Boksita. KAP, the main aluminum producer, which had been nationalized following its bankruptcy in October 2013, was privatized in July 2014 through a sale to Uniprom of Montenegro. Rudnici Boksita, which had been jointly owned by the Central European Aluminum Co. (CEAC) of Cyprus and the Government of Montenegro until its bankruptcy in February 2014, was being operated by a public bankruptcy administrator pending a tender for the sale of its assets. Rudnik Uglja A.D. coal company was jointly owned by the A2A Group of Italy and the Government of Montenegro. Tosçelik Niksic A.D., the main steel company in the country, was wholly privately owned by the Tosalı Group of Turkey. Table 2 is a list of major mineral industry facilities (table 2; Dimitrievska, 2014d, e; Rudnik Uglja A.D., 2015; Tosçelik Niksic A.D., 2015).

## Mineral Trade

Raw materials, including such crude materials as metalliferous ores and metal scrap, were Montenegro's second leading export category in 2014 and made up 21% of all exports, which was an increase from 16% in 2013. Mineral fuels, lubricants, and related materials were the country's third leading export category and accounted for 15% of exports, which was a decrease from 29% in 2013. In 2014, nonferrous metals were Montenegro's leading export goods; the value of these exports decreased by 10% compared with 2013 to EUR71.9 million (\$91.7 million<sup>1</sup>). Exports of metalliferous ores and metal scrap decreased by 2% to \$42.3 million; those of petroleum and petroleum products, by 18% to \$11.6 million; iron and steel, by 63% to \$5.7 million; metal manufactures, by 24% to \$2.7 million; and nonmetallic mineral manufactures, by 62% to \$2.0 million. Exports of coal, coke, and briquets increased by 23% to \$1.9 million (Statistical Office of Montenegro, 2015a, p. 8, 10, 11).

Mineral fuels, lubricants, and related materials were Montenegro's third leading import category and made up 13%

of all imports in 2014, which was a decrease from 15% in 2013. Raw materials accounted for 3% of imports, which was a decrease from 4% in 2013. In 2014, imports of petroleum and petroleum products were Montenegro's leading import good; the value of these imports decreased by 3% compared with 2013 to \$236.2 million. Imports of nonmetallic mineral manufactures increased by 2% to \$96.3 million; metal manufactures, by 3% to \$78.2 million; and iron and steel, by 3% to \$53.6 million. Imports of metalliferous ores and metal scrap decreased by 21% to \$32.3 million; nonferrous metals, by 1% to \$17.0 million; natural gas, by 1% to \$15.4 million; and coal, coke, and briquets, by 5% to \$0.8 million (Statistical Office of Montenegro, 2015a, p. 9, 12, 13).

Montenegro's exports to the United States were valued at \$2.7 billion in 2014 compared with \$1.7 billion in 2013. Mineral exports included \$14,000 in finished metal shapes. Montenegro's imports from the United States were valued at \$18.2 million compared with \$21.7 million in 2013. Mineral imports included chemicals, \$23,000, and iron and steel products, \$6,000 (U.S. Census Bureau, 2015a, b).

## Commodity Review

### Metals

**Bauxite, Alumina, and Aluminum.**—The production of aluminum and bauxite resumed in Montenegro in 2014, while there was no alumina production. KAP, which was the country's sole aluminum producing company and had accounted for about 5% of Montenegro's GDP in 2012, was acquired by Uniprom of Montenegro for \$36 million in June 2014. The company had been declared bankrupt and nationalized in October 2013 owing to outstanding debts. Uniprom pledged to invest \$97 million over the next 4 years to modernize the Podgorica smelter. After taking over operations in July 2014, Uniprom canceled KAP's exclusive contract with Glencore Plc of Switzerland, which had been the sole buyer of its aluminum output since 1998. As of October 2014, aluminum production at the Podgorica smelter increased to 3,700 metric tons per month. Uniprom planned to increase monthly production to 6,000 metric tons (t) as part of the modernization program, which would more than double KAP's annual aluminum output in 2014 (Savic, 2013; Vasovic, 2013; Dimitrievska, 2014a; Emerging Markets Direct Media Holdings, 2014; Prekic, 2014b; Tomovic, 2014; International Monetary Fund, 2015, p. 9)

As of yearend 2014, the Government had not yet received full payment for the sale of KAP, and a lawsuit over the company's nationalization and subsequent privatization was pending. In July 2014, Uniprom obtained a 2-month extension on payment following an injunction issued by the District Court of Nicosia, Cyprus, on all transactions involving KAP's assets, including their transfer to new ownership. The court case had been filed in December 2013 by En+ Group of Russia, which was the parent company of KAP's former owner, Central European Aluminum Company (CEAC) of Cyprus, alleging breaches of agreements signed with the Government in 2005 and 2009 over ownership shares and the price of electricity supplied to the Podgorica smelter. In September 2014, Uniprom paid \$5 million to the

<sup>1</sup>Where necessary, values have been converted from euro area euros (EUR) to U.S. dollars (US\$) at an average rate of EUR0.784=US\$1.00 for 2014 and EUR0.783=US\$1.00 for 2013.

Government and obtained another 6-month extension on the remainder of payments (Dimitrievska, 2014c; Nuttall, 2014; Petrushinin, 2014; International Monetary Fund, 2015, p. 9).

Bauxite production at Rudnici Boksita was halted and restarted multiple times throughout the year after the company declared bankruptcy in February 2014. Insolvency proceedings against the company had been launched in November 2013 over nonpayment of debt owed to Crnogorska komercijalna banka a.d. Podgorica (CKB), which was a local bank and a subsidiary of OTP Bank of Hungary. Rudnici Boksita resumed production at its Zagrad Mine in June 2014 to deliver 20,000 t of ore per month to Neksan of Montenegro. The two companies had signed a sales contract following Rudnici Boksita's invitation for business and technological partnerships in March 2014. Also, in June 2014, the assets of Rudnici Boksita were put up for sale for \$18 million, but no bids were received. In October 2014, Neksan resumed bauxite production at the Zagrad Mine. In December 2014, following another public call for a partnership arrangement with Rudnici Boksita, Neksan placed a bid to jointly produce between 20,000 t and 23,000 t of bauxite ore per month, while Vagon Impex of Hungary offered to produce 12,000 t of ore per month (Dimitrievska, 2014a, b, f; 2015c; MnNews, 2014a).

**Copper, Lead, and Zinc.**—Balamara Resources Ltd. of Australia divested the Monty copper, lead, and zinc project by selling its wholly owned subsidiary Balkan Mining Pty. Ltd. to a consortium of European investors in November 2014. The Monty project comprised three deposits (Brskovo, Visnjica, and Zuta Prla) in Mojkovac, which is located about 100 kilometers (km) from Podgorica, with a combined indicated and inferred resource of 9.15 million metric tons (Mt) with grades of 3.90% zinc, 1.28% lead, and 0.31% copper. Although Balamara originally planned to bring the Monty project into production in 2014, it subsequently decided to divest its noncore base-metal projects in Balkan countries, including Montenegro, and to fund projects elsewhere, such as coal projects in Poland and a potential phosphate project in Togo (Balamara Resources Ltd., 2013, 2014; Proactive Investors, 2014).

**Iron and Steel.**—The modernization program at Tosçelik Niksic, which had been launched in 2012 under new ownership, continued in 2014. In March 2014, Tosçelik, which was a subsidiary of Tosyalı Group of Turkey, reported that it had invested over \$8 million in the Niksic iron and steel mill plant since acquiring the company and would invest a total of \$45 million by 2017 in equipment upgrades in order to increase output and to meet environmental standards. Tosçelik planned to increase annual steel production at Niksic to 200,000 t and annual revenue to about \$255 million in 2016 (Bağrıç, 2014; Dimitrievska, 2014g).

### **Industrial Minerals**

**Cement.**—Montenegro did not have its own cement production facilities and imported cement from Albania, Croatia, Greece, and Serbia to meet all its cement demand. Domestic cement consumption was about 0.25 million metric tons per year (Mt/yr). In May 2013, the Crnogorski Cement Pljevlja company was established by the municipality of Pljevlja and

SFERA Group of Russia. The company planned to build a cement plant in Pljevlja through a \$306 million investment project. The SFERA Group also expressed interest in developing the Jagnjilo marl deposits in Pljevlja. No further updates were reported as of yearend 2014 (International Cement Review, 2013; 2015, p. 237).

### **Mineral Fuels**

In 2013 (the latest year for which comprehensive data were available), Montenegro's primary energy supply sources were coal (39%), petroleum and petroleum products (36%), and renewable sources (biomass and hydropower) (24%). The country depended on domestic coal production and imported petroleum and electricity to cover its national energy consumption (Statistical Office of Montenegro, 2015d, p. 7, 8).

**Coal.**—Coal production in Montenegro was not significant by world standards and continued to decrease. Coal was an important source of energy for the country, however, as coal-fired powerplants accounted for about 25% of domestic electricity generation. Rudnik Uglja A.D.'s Pljevlja's Mine at Pljevlja produced all the country's coal and supplied the Pljevlja thermal powerplant (TPP Pljevlja), which accounted for 43.6% of the power generated in 2014 by Montenegro's only power utility company Elektroprivreda Crne Gore A.D. Nikšić (EPCG). EPCG planned to add a new coal-fired unit at its Pljevlja powerplant. In May 2014, the company announced that Hubei Electric Power Survey & Design Institute of China offered the lowest bid for the construction of a unit with a capacity of 220 to 300 megawatts (MW) (European Commission, 2013, p. 4; Thomson Reuters, 2014; Dimitrievska, 2015b; Elektroprivreda Crne Gore A.D. Nikšić, 2015).

Metalfer Group of Serbia acquired in March 2014 from Balkan Energy of Greece the inactive Berane underground coal mine, which had estimated "geologic resources" of 130 Mt and extractable resources of 50 Mt. In March 2013, Metalfer launched a mine prospects analysis at Berane jointly with Premogovnik Velenje of Slovenia, and planned to produce 40,000 t of coal in the mine's first year of production and 80,000 t in the second year when it became active (Dimitrievska, 2014e; Vilibia SEEBiz, 2014; Metalfer Group, 2015).

**Petroleum and Natural Gas.**—Montenegro did not produce any petroleum or natural gas in 2014, but the country took steps toward commencing the exploration of offshore hydrocarbon resources in the Adriatic Sea. In May 2014, the tender for hydrocarbon exploration and exploitation was closed for 13 blocks of identified prospects within the Dinarides Thrust Belt and in the adjacent Adriatic-Ionian foreland basin. The public invitation for Montenegro's first-ever tender had been issued by the Ministry of Economy in August 2013. The concession was divided into phases: the exploration phase, with a maximum duration of 6 years and a possible extension of up to 2 years, and the exploitation phase, with a maximum duration of 20 years and a possible extension of up to 10 years. Three international consortia consisting of six companies, Marathon Oil Corp. of the United States and OMV GmbH of Austria; ENI S.p.A. of Italy and Novatek of

Russia; and Mediterranean Oil and Gas Plc. of the United Kingdom and Energean Oil and Gas SA of Greece, submitted bids for five, four, and three offshore blocks, respectively. In December 2014, the Ministry announced that negotiations on concession contracts with the consortia would be completed by February 2015 (Komnenic, 2014; Ministry of Economy, 2014a; White, 2014; Dimitrievska, 2015a; Moravcevic and Lakovic, 2015, p. 131).

In April 2014, the Government of Montenegro filed a formal complaint against the Government of Croatia at the International Court of Justice in the Hague over Croatia's issuing of a tender for oil and gas exploration offshore Prevlaka in the Adriatic Sea, which both countries considered to be its territory. The two former republics of Yugoslavia lacked officially determined boundaries on the Prevlaka Peninsula and in the southern Adriatic Sea since the disintegration of Yugoslavia in 1991 (Prekic, 2014a; Avramovic, 2015).

Montenegro was a party to the proposed Ionian Adriatic natural gas pipeline project to connect Croatia with Albania with a north-to-south flow capability. In May 2013, Albania, Bosnia and Herzegovina, Croatia, and Montenegro signed a memorandum of understanding for the development of the project. In September 2014, the construction of the pipeline was launched with an official groundbreaking ceremony that was held in Azerbaijan. The proposed pipeline would transport natural gas from the Caspian Sea through Turkey and the Balkan countries to Europe (Moravcevic and Lakovic, 2015, p. 131).

## Outlook

Montenegro's mineral industry is likely to continue its modest recovery. Aluminum and steel production in the country is expected to increase, albeit from a low base, under the new ownership of KAP and Tosçelik Niksic. Bauxite production may cease altogether if no bidders materialize for the assets of Rudnici Boksita. Coal production is expected to reverse its recent decline with the resumption of underground mining operations in Berane. Exploration for base metals in the country is contingent on the future progress of the Monty Project. Petroleum and natural gas exploration in Montenegro's Adriatic waters has the potential to transform the country into a producer of mineral fuels.

## References Cited

- Avramovic, Marija, 2015, Border dispute between Croatia and Montenegro goes to next stage: Independent Balkan News Agency, January 21. (Accessed December 15, 2015, at <http://www.balkan.eu.com/border-issue-croatia-montenegro-finally-resolved/>.)
- Bağrik, Belma, 2014, Tosiya'nın Karadağ hedefi 200 milyon hedefi [Tosiya's Montenegro goal of 200 million]: Dünya, March 20. (Accessed September 24, 2015, at <http://www.dunya.com/sirketler/tosyalinin-karadag-hedefi-200-milyon-hedefi-222730h.htm>.)
- Balamara Resources Ltd., 2013, Further thick zinc-lead-silver intersections enhance Monty Project: Balamara Resources Ltd. press release, August 5, 8 p. (Accessed May 25, 2015, at <http://www.asx.com.au/asxpdf/20130805/pdf/42hh0kxm0m0398.pdf/>.)
- Balamara Resources Ltd., 2014, Balamara completes divestment of non-core Balkans base metal assets: Balamara Resources Ltd. press release, November 27, 1 p. (Accessed October 2, 2015, at <http://www.asx.com.au/asxpdf/20141127/pdf/42v1rkhdknh7q3.pdf>.)
- Constitutional Court of Montenegro, The, 2014, Law on protection of the interest of the state in mining and metallurgical sector: Podgorica, Montenegro, The Constitutional Court of Montenegro, April 17, 9 p. (Accessed October 1, 2015, at [www.ustavnisudcg.co.me/engleska/Decisions/Law%20on%20Protection%20of%20the%20Interest%20of%20the%20State%20in%20Mining%20and%20Metallurgical%20Sector.docx](http://www.ustavnisudcg.co.me/engleska/Decisions/Law%20on%20Protection%20of%20the%20Interest%20of%20the%20State%20in%20Mining%20and%20Metallurgical%20Sector.docx).)
- Dimitrievska, Valentina, 2014a, Hungarian, Montenegrin cos eye partnership with miner Rudnici Boksita—media: SeeNews, December 25. (Accessed September 27, 2015, at <http://wire.seenews.com/news/hungarian-montenegrin-cos-eye-partnership-with-miner-rudnici-boksita-media-455606>.)
- Dimitrievska, Valentina, 2014b, Montenegro's Rudnici Boksita on sale for 14 mln euro—media: SeeNews, July 22. (Accessed September 27, 2015, at <http://wire.seenews.com/news/montenegros-rudnici-boksita-on-sale-for-14-mln-euro-media-431220>.)
- Dimitrievska, Valentina, 2014c, Montenegro's Uniprom seeks 60-day prolongation to pay 28 mln euro for KAP—media: SeeNews, July 11. (Accessed September 24, 2015, at <http://wire.seenews.com/news/montenegros-uniprom-seeks-60-day-prolongation-to-pay-28-mln-euro-for-kap-media-429859>.)
- Dimitrievska, Valentina, 2014d, Montenegro's Uniprom signs deal to buy aluminum smelter KAP for 28 mln euro—media: SeeNews, June 10. (Accessed June 25, 2016, at <https://seenews.com/news/montenegros-uniprom-signs-deal-to-buy-aluminum-smelter-kap-for-28-mln-euro-media-425087>.)
- Dimitrievska, Valentina, 2014e, Serbia's Metalfer set to gain control over Montenegrin coal mine Berane—govt: SeeNews, March 6. (Accessed October 4, 2015, at <http://wire.seenews.com/news/serbias-metalfer-set-to-gain-control-over-montenegrin-coal-mine-berane-govt-408306>.)
- Dimitrievska, Valentina, 2014f, Six bid to partner with Montenegrin bauxite miner Rudnici Boksita—media: SeeNews, March 11. (Accessed September 27, 2015, at <http://wire.seenews.com/news/six-bid-to-partner-with-montenegrin-bauxite-miner-rudnici-boksita-media-409035>.)
- Dimitrievska, Valentina, 2014g, Turkish steel mill Tosçelik invests 6.0 mln euro in Montenegrin unit—media: SeeNews, March 31. (Accessed October 3, 2015, at <http://wire.seenews.com/news/turkish-steel-mill-toscelik-invests-6-0-mln-euro-in-montenegrin-unit-media-412379>.)
- Dimitrievska, Valentina, 2015a, Montenegro starts negotiations with bidders in offshore oil, gas tender: SeeNews, February 3. (Accessed October 4, 2015, at <http://wire.seenews.com/news/montenegro-starts-negotiations-with-bidders-in-offshore-oil-gas-tender-461532>.)
- Dimitrievska, Valentina, 2015b, Montenegro's EPCG ready to start construction of TPP Plejvlja unit without partner—deputy PM: SeeNews, January 23. (Accessed October 4, 2015, at <http://powermarket.seenews.com/news/montenegros-epcg-ready-to-start-construction-of-tpp-pljevlja-unit-without-partner-deputy-pm-460021>.)
- Dimitrievska, Valentina, 2015c, Montenegro's Neksan set for partnership with Rudnici Boksita—report: SeeNews, January 21. (Accessed September 27, 2015, at <http://wire.seenews.com/news/montenegro-s-neksan-set-for-partnership-with-rudnici-boksita-report-459408>.)
- Elektroprivreda Crne Gore A.D. Nikšić, 2015, Electricity production and electro energetic balance: Elektroprivreda Crne Gore A.D. Nikšić Web page. (Accessed October 3, 2015, at <http://www.epcg.com/en/about-us/electricity-production-and-electro-energetic-balance/>.)
- Emerging Markets Direct Media Holdings, 2014, Glencore—New owner of Montenegro's KAP says cancels [sic] aluminum supply contract with Glencore: SyndiGate Media Inc., October 29. (Accessed September 24, 2015, at <http://www.4-traders.com/GLENCORE-PLC-8017494/news/Glencore--New-owner-of-Montenegros-KAP-says-cancels-aluminium-supply-contract-with-Glencore-19297188/>.)
- European Commission, 2013, Screening report—Montenegro—Chapter 15—Energy: Brussels, Belgium, European Commission, April, 19 p. (Accessed September 25, 2015, at [http://ec.europa.eu/enlargement/pdf/montenegro/screening\\_reports/screening\\_report\\_montenegro\\_ch\\_15.pdf](http://ec.europa.eu/enlargement/pdf/montenegro/screening_reports/screening_report_montenegro_ch_15.pdf).)
- European Commission, 2014, Montenegro progress report: Brussels, Belgium, European Commission, October 8, 65 p. (Accessed September 25, 2015, at [http://ec.europa.eu/enlargement/pdf/key\\_documents/2014/20141008-montenegro-progress-report\\_en.pdf](http://ec.europa.eu/enlargement/pdf/key_documents/2014/20141008-montenegro-progress-report_en.pdf).)
- European Commission, 2015, Montenegro—Tourism resorts, tunnels and bridges: Brussels, Belgium, European Commission, February, p. 128–129 (Accessed September 25, 2015, at [http://ec.europa.eu/economy\\_finance/eu/forecasts/2015\\_spring/cc\\_montenegro\\_en.pdf](http://ec.europa.eu/economy_finance/eu/forecasts/2015_spring/cc_montenegro_en.pdf).)

- International Cement Review, 2013, SFERA eyes Montenegro project: Cemnet, October 10. (Accessed December 15, 2015, at <http://www.cemnet.com/News/story/153101/sfera-eyes-montenegro-project.html>.)
- International Cement Review, 2015, Montenegro, *in* The Global Cement Report, 11th ed.: Dorking, United Kingdom, International Cement Review, p. 237.
- International Monetary Fund, 2015, 2014 article IV consultation—Staff report—Press release—And statement by the Executive Director for Montenegro: Washington, DC, International Monetary Fund, February, 64 p. (Accessed September 29, 2015, at <https://www.imf.org/external/pubs/ft/scr/2015/cr1526.pdf>.)
- Komnec, Peter, 2014, Three consortia bid for Montenegro oil exploration, drilling rights: Thomson Reuters, May 15. (Accessed October 4, 2015, at <http://www.reuters.com/article/2014/05/15/montenegro-oil-tender-idUSL6N00166L20140515>.)
- Metalfer Group, 2015, Coal/Berane Mine: Metalfer Group Web page. (Accessed October 4, 2015, at <http://metalfer.net/mining/berane-coal-mine/>.)
- Ministry of Economy [Montenegro], 2014a, First bid round—Block with submitted bids: Ministry of Economy, May 26, 1 p. (Accessed September 27, 2015, at <http://www.mek.gov.me/ResourceManager/FileDownload.aspx?rId=194077&rType=2>.)
- Ministry of Economy [Montenegro], 2014b, Press release regarding the Constitutional Court of Montenegro decision—Government's position confirmed: Ministry of Economy, April 17. (Accessed September 26, 2015, at <http://www.gov.me/en/News/137908/Press-release-regarding-the-Constitutional-Court-of-Montenegro-decision-Government-s-position-confirmed.html>.)
- Ministry of Economy [Montenegro], 2014c, The Parliament adopted the Law on Hydrocarbons Tax: Ministry of Economy, July 22. (Accessed September 26, 2015, at <http://www.minekon.gov.me/en/news/146790/The-Parliament-adopted-the-Law-on-Hydrocarbons-Tax.html>.)
- Ministry of Economy [Montenegro], 2015, National renewable energy action plan to 2010—Montenegro: Ministry of Economy, January 1, 97 p. (Accessed October 2, 2015, at <http://www.mek.gov.me/ResourceManager/FileDownload.aspx?rid=194055&rType=2>.)
- MnNews, 2014a, Production starts: Montenegrin News Agency, June 3. (Accessed September 27, 2015, at <http://transfuse.mnnews.net/indexeng.php3?akcija=clanak&no=22793>.)
- MnNews, 2014b, Neksan launches production process: Montenegrin News Agency, October 21. (Accessed September 27, 2015, at <http://transfuse.mnnews.net/indexeng.php3?akcija=clanak&no=23192>.)
- Moravecic, Slaven, and Lakovic, Milos, 2015, Energy law in Montenegro, *in* Newbery, Mark, and Goldberg, Silke, eds., European energy handbook 2015: London, United Kingdom, Herbert Smith Freehills, February, p. 131–133.
- Nuttal, Clare, 2014, Court injunction blocks sale of Montenegro's KAP: Business New Europe, July 8. (Accessed September 24, 2015, at <http://www.bne.eu/content/story/court-injunction-blocks-sale-montenegro%E2%80%99s-kap>.)
- Petrushinin, Andrey, 2014, CEAC's investments in Montenegro: Aluminum International Today, July/August, 3 p. (Accessed September 24, 2015, at [http://www.aluminiumtoday.com/contentimages/features/ceac\\_AIT.pdf](http://www.aluminiumtoday.com/contentimages/features/ceac_AIT.pdf).)
- Prekic, Adnan, 2014a, Montenegro objects on Croatian tender for oil and gas exploitation: Independent Balkan News Agency, April 4. (Accessed October 3, 2015, at <http://www.balkaneu.com/montenegro-objects-croatian-tender-oil-gas-exploitation/>.)
- Prekic, Adnan, 2014b, Recovery of the aluminum industry in Montenegro: Independent Balkan News Agency, November 10. (Accessed October 1, 2015, at <http://www.balkaneu.com/recovery-aluminum-industry-montenegro/>.)
- Proactive Investors, 2014, Balamara Resources set for \$15.2 cash boost from sale of Balkans base metal assets: Balamara Resources, February 19, 2 p. (Accessed October 2, 2015, at <http://www.proactiveinvestors.com.au/companies/pdf/52955/balamara-resources-set-for-152m-cash-boost-from-sale-of-balkans-base-metal-assets-52955.html>.)
- Rudnik Uglja A.D., 2015, Vlasnička struktura [Ownership structure]: Rudnik Uglja A.D. Web page. (Accessed June 25, 2016, at <http://www.rupv.me/vlasnicka-struktura>.)
- Savic, Misha, 2013, Montenegro's largest plant KAP declared bankrupt by court: Bloomberg L.P., October 9. (Accessed September 24, 2015, at <http://www.bloomberg.com/news/2013-10-09/montenegro-s-largest-plant-kap-declared-bankrupt-by-court.html>.)
- Statistical Office of Montenegro, 2015a, External trade of Montenegro—January-December 2014: Podgorica, Montenegro, Statistical Office of Montenegro, April 6, 14 p. (Accessed September 29, 2015, at <http://www.monstat.org/userfiles/file/spoljna%20trgovina/2014/konacni%202014/External%20trade%20of%20Montenegro%20January-December%202014.pdf>.)
- Statistical Office of Montenegro, 2015b, Gross domestic product of Montenegro for period 2010-2014: Podgorica, Montenegro, Statistical Office of Montenegro, September 30, 13 p. (Accessed September 30, 2015, at [http://www.monstat.org/userfiles/file/GDP/2015/godisnji%20BDP%202014\\_engleska%20ver.pdf](http://www.monstat.org/userfiles/file/GDP/2015/godisnji%20BDP%202014_engleska%20ver.pdf).)
- Statistical Office of Montenegro, 2015c, Indices of industrial production—December 2014: Podgorica, Montenegro, Statistical Office of Montenegro, January 27, 3 p. (Accessed September 30, 2015, at [http://www.monstat.org/userfiles/file/industrija/saopstenja/2014/dec/Indices%20of%20industrial%20production-december\(1\).pdf](http://www.monstat.org/userfiles/file/industrija/saopstenja/2014/dec/Indices%20of%20industrial%20production-december(1).pdf).)
- Statistical Office of Montenegro, 2015d, Statistical energy balances—2012-2013: Podgorica, Montenegro, Statistical Office of Montenegro, December, 15 p. (Accessed September 30, 2015, at [http://www.monstat.org/userfiles/file/publikacije/stat%20energ%20bilansi/Statistical\\_Energy\\_Balances\\_2012\\_2013.pdf](http://www.monstat.org/userfiles/file/publikacije/stat%20energ%20bilansi/Statistical_Energy_Balances_2012_2013.pdf).)
- Thomson Reuters, 2014, Chinese company offers lowest bid for Montenegro power plant: Thomson Reuters, May 29. (Accessed October 3, 2015, at <http://af.reuters.com/article/commoditiesNews/idAFL6N00F3FX20140529>.)
- Tomovic, Dusica, 2014, Montenegro sells bankrupt aluminum plant: Balkan Insight, June 11. (Accessed September 24, 2015, at <http://www.balkaninsight.com/en/article/montenegro-s-bankrupt-aluminium-plant-sold-to-a-local-company>.)
- Toscelik Niksic A.D., 2015, Corporate—General view: Toscelik Niksic A.D. Web page. (Accessed June 25, 2016, at <http://www.toscelikniksic.me/corporate/general-view/>.)
- U.S. Census Bureau, 2015a, U.S. exports to Montenegro by 5-digit end-use code 2005-2014: U.S. Census Bureau Web page. (Accessed September 29, 2015, at <http://www.census.gov/foreign-trade/statistics/product/enduse/exports/c4804.html>.)
- U.S. Census Bureau, 2015b, U.S. imports to Montenegro by 5-digit end-use code 2005-2014: U.S. Census Bureau Web page. (Accessed September 29, 2015, at <http://www.census.gov/foreign-trade/statistics/product/enduse/imports/c4804.html>.)
- Vasovic, Aleksander, 2013, Montenegro eyes bankruptcy for stricken aluminum plant: Thomson Reuters, June 14. (Accessed September 24, 2015, at <http://www.reuters.com/article/2013/06/14/montenegro-kap-idUSL5N0EQ3KS20130614>.)
- Vibilia SEBiz, 2014, Metalfer from Sremska Mitrovica takes over brown coal mine Berane: Vibilia Business Portal, March 5. (Accessed October 5, 2015, at [http://www.vibilia.rs/dokument\\_new.php?s=vesti&ID=5064951&lang=en](http://www.vibilia.rs/dokument_new.php?s=vesti&ID=5064951&lang=en).)
- White, Ken, 2014, Eastern Europe competes with down under: London, United Kingdom, Geopublishing Ltd., GeoExPro, v. 10, no. 5: (Accessed October 3, 2015, at <http://www.geoexpro.com/articles/2014/11/eastern-europe-competes-with-down-under>.)
- World Bank, The, 2015a, Data by country—Montenegro: Washington, DC, The World Bank. (Accessed September 28, 2015, at <http://data.worldbank.org/country/montenegro>.)
- World Bank, The, 2015b, World Bank Group—Montenegro partnership—Country program snapshot: Washington, DC, The World Bank, April, 23p. (Accessed September 28, 2015, at <http://www.worldbank.org/content/dam/Worldbank/document/eca/Montenegro-Snapshot.pdf>.)

TABLE 1  
MONTENEGRO: PRODUCTION OF MINERAL COMMODITIES<sup>1</sup>

(Metric tons unless otherwise specified)

Commodity	2010	2011	2012	2013	2014
<b>METALS</b>					
Aluminum, metal, ingot, primary	82,043	92,838	74,813	15,900	44,000 <sup>e</sup>
Bauxite	61,205	158,614	--	61,154	155,153
Iron and steel, crude steel	48,272	61,164	26,161 <sup>r</sup>	19,723 <sup>r</sup>	30,000 <sup>e</sup>
<b>INDUSTRIAL MINERALS</b>					
Gravel	49,517	47,717	48,374	78,374	59,783
Lime	839	3,448	--	--	--
Salt (seawater evaporate)	11,200	10,000	16,000	10,000	--
Sand	--	--	47,811	31,898	68,537
Stone, excluding quartz and quartzite, dimension, crude:					
Ornamental (marble blocks)	40,297	32,804	48,495	48,989	54,677
Crushed and broken	55,383	69,141	62,922	135,178	221,584
Other, stone products	39,921	35,487	61,959	53,289	68,537
<b>MINERAL FUELS AND RELATED MATERIALS</b>					
Coal, lignite	1,937,847	1,972,671	1,706,302	1,692,535	1,655,045

<sup>e</sup>Estimated. <sup>r</sup>Revised. do. Ditto. -- Zero.

<sup>1</sup>Table includes data available through September 28, 2015.

TABLE 2  
MONTENEGRO: STRUCTURE OF THE MINERAL INDUSTRY IN 2014

(Thousand metric tons)

Commodity	Major operating companies and major equity owners	Location of main facilities	Annual capacity
Alumina <sup>1</sup>	Kombinat Aluminijuma Podgorica (KAP) (Uniprom, 100%)	Podgorica	NA
Aluminum, primary	do.	do.	72
Bauxite	Rudnici Boksita (Government of Montenegro, 31.8%; Central European Aluminum Co., 31.8%; other investors, 36.4%)	Zagrad Mine in Niksic	700 <sup>e</sup>
Coal	Rudnik Uglja A.D. Pljevlja (A2A Group, 39.5%; Government of Montenegro, 31.1%; other investors, 29.4%)	Pljevlja	2,000 <sup>e</sup>
Do.	Metalfer Group	Berane	40
Steel, crude	Toscelik Niksic A.D. (Tosyalı Group, 100%)	Niksic	150 <sup>e</sup>

<sup>e</sup>Estimated. Do., do. Ditto. NA Not available.

<sup>1</sup>No alumina was produced in Montenegro in 2014.