

SLOVAK REPUBLIC

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The Slovak Republic (SR) has since May 1, 2004, been a member state of the European Union (EU). However, legislative and economic reforms are by no means completed, and thus the Slovak Republic has not yet reached its final goals. But the efficiency of the economy, GDP increase and stability of the currency are comparable and sometimes even better than those in other new EU member-states. Despite all this, some problems still persist, for example a relatively high unemployment rate (especially in marginal areas of the SR), a lack of investments, etc.

The majority of Slovak mining companies suffered in previous years from the increases in electricity and natural gas prices. Some of these companies need to change their production lines, but they are incapable of investing from their own sources and it is still problematic to obtain long-term and low interest credits.

The problems of the iron ore producer Siderit Ltd (the sole ore-producing company in SR) continued in 2003 - and there were two changes in ownership. Now, ownership of the company is in Ukrainian hands and it appears that the situation has stabilised. The company has in the past deepened the property's Gabriela shaft, which prolonged the lifetime of the deposit for 20 years. Siderit Ltd also slightly decreased mining production, which together with improvements in the production cycle (introduction of a dry electromagnetic separator in the processing phase) gave rise to decreased energy consumption. A change in the production line (rotary by shaft kilns) targetted for the company's future strategic plan, should also lead to an efficiency increase.

Slovenska Banska Ltd (the sole Slovak gold producer until June 2001) continued to run down its operations in 2003, but also produced a small amount of gold.

Two magnesite producers (Slovenske Magnezitove Zavody - SMZ Jelsava and Slovmag Lubenik) were also hit by an increase in energy costs. Despite this, production slightly increased. Slovmag Lubenik established together with the BERG Faculty of the Technical University in Kosice, a common research laboratory, which is aimed at re-engineering the production flowsheet at Slovmag.

A new gypsum deposit, Bohúňovo–Gemerská Hôrka (near Plešivec in southeast Slovakia) was opened by Rima Ltd, but due to economic problems besetting the owner, opening of the works has at present been delayed.

Commencement of production at the Gemerská Poloma–Dlhá dolina talcum works are similarly delayed.

Development of the energy minerals sector (brown coal, oil/condensate and gas production) continued the previous year's trends: a moderate decrease in output by all brown coal operations, and stabilisation of natural gas production.

The mining industry in the SR overcame transitional problems from the period of the state-protected socialist economy (ie when it was subsidised by the state), to the present economic scene, but despite some problems, this was in the fact a stabilising factor for some regions of Slovakia with a high unemployment rate.

Slovak Mineral Production ('000 t unless stated otherwise).

Commodity	2001	2002	2003
Iron - pellets, concentrate	435	326	287
Gold (kg)	156	77	79
Magnesite – concentrate	961,212	929,630	993,900
Talc	2.6	2.3	2.5*
Kaolin	34.7	24.6	24.8
Bentonite	73.0	65.5	74.7
Salt	123.0	97.4	133.1
Barites	14.5	25.8	12.0
Gypsum	168.8	121.7	93.8
Perlite	14.9	18.6	15.0
Brown coal	3,421.1	3,406.4	3,076.1
Natural gas (10 ⁶ .m ³)	211.7	212.1	200.8
Oil and condensate	54.1	51.9	47.9

* estimated