

Get him to the Greek

Much about Mark Rachovides, president of the representative body for resource companies in Europe, Euromines, screams Britain: a central London address, a British education, and a British gentleman's accent. But there is a significant part of Rachovides that, like both his father and wife, is very much Greek. We bothered him while on holiday in Greece to pick his brain on, among other things, what miners should expect from the European Commission and how Greece is managing its economic reforms.



Mark Rachovides encourages miners to do their homework around operating in the EU before they get there

Mining Journal: How did you get started in mining?

Mark Rachovides: I'd have to say I fell into it. I joined the European Bank for Reconstruction and Development (EBRD) in 1996 with a trade finance background and started working on oil and gas. Purely because of an omnibus natural resources team, I was asked to look after some mining projects and developed an interest. I realised I needed to increase my knowledge so did some courses with the Royal School of Mines (now Imperial College) and after a few years organised some in-house courses at EBRD – there was a great lack of mining expertise in EBRD. Happily, I didn't make too much of a mess of the projects I was given and managed to do some new projects that worked out.

So, I jumped into it whole-heartedly and was soon doing articles and speeches on my area of expertise, Eastern Europe and the Former Soviet Union, and attracted the interest of companies that wanted me to work with them. I've been a director of a mining company in some form for the past 20 years.

MJ: How do you think you brought to public company life?

MR: I left EBRD at the end of 2006 and was on the board of nine different companies. One of the companies I was involved with asked me to take a permanent role and that's how I became executive vice president of European Goldfields (bought by Eldorado Gold in 2012).

What I brought was commercial and financial awareness from a much more pragmatic standpoint than a chief financial officer, as well as a deep understanding of regulatory and governmental affairs. It was also good to be able to speak Greek and a good relationship with the shareholders.

"It's a funny feeling when you have two homes: you're always happy to arrive at one but sad to leave the other"

MJ: What are your top tips for miners in dealing with the European Union?

MR: Most mining companies don't understand how the EU works and so have to recalibrate their expectations. There is a very clear division between authority and competence between the EU, its various components, and the various member states. Most companies have to go through that learning process so what we're trying to do is aggregate that knowledge for others coming into Europe seeking our assistance. We're working closely with the European Commission to do the same thing.

Of course, that sounds very nice, but we're now working on very specific projects to demonstrate the value of bringing together people's knowledge and therefore trying to prevent companies treading the same path and, frankly, having the same problems.

Too many chief executives have not done enough preparatory work before embarking on what can be a very frustrating journey for the unprepared.

There's this idea the EU is this generator of red tape there to strangle companies and that's just not the case. You can work with the EU as we do and as many companies do very successfully.

MJ: So, your experience is that the EU is there to help miners?

MR: It's a very simple equation. Europe is falling behind in terms of industry, employment, competitiveness, productivity – you name it. Therefore, anyone looking to invest in Europe and bring value to Europe's resources will be welcomed. The idea that environmentalism or politics is going to hold sway is wrong – there is a more balanced approach.

You're going to have a high degree of scrutiny as a miner because Europe has a lot of people living in a small area, but companies offering good practice should find Europe a good place to do business.

MJ: What initiatives should we be looking out for from the EU?

MR: A much deeper focus on the issues that have hindered investment. There is a lot of good work being done around legal and regulatory issues and huge investment into research, innovation and development. There's real support, real money, real networks going in to help new projects done in new ways.

There's real money being spent on developing industry and supporting mining and there is a lot of misunderstanding around Europe only being interested in recycling or environmental projects – that's just not true.

MJ: What's your favourite bar/restaurant in London?

MR: That's an easy one: St. John, in Smithfield. I've been going there for 29 years. It's a restaurant but has a very good bar as well. You can go for a beer and a sandwich or a spectacular Michelin Star meal. It's proper British grub done in a wonderful way.

MJ: Where in Greece is your second home?

MR: It's just outside Athens on the coast and it's where my wife's family comes from. We've had a place there for 10 years now and go there as a family about four times a year. It's a funny feeling when you have two homes: you're always happy to arrive at one but sad to leave the other.

There's something about the light in Greece and the blue of the sky and blue of the sea that will always draw you back.

MJ: How is Greece travelling in terms of its economic difficulties?

MR: Greece is still in dire straits. Structural change is happening slowly in order to make the state more efficient but it's difficult to see how without investment Greece will emerge successfully from this crisis.

There was good news this week that Greece had gone back to the bond market in a conventional way, however, commentators have called it right in saying there is a long and bumpy road ahead for investors. Greece and, more importantly, the Greek people, have many more years of difficulty before the country emerges anew. But I think it will.

The country has tremendous resources in terms of tourism, fishing, shipping and, far more importantly, natural resources. Once the acceptance of natural resources becomes more 'everyday', the future will look brighter.

Geologically, Greece is prospective, the infrastructure is excellent and it has skilled people. It just has to raise the bar in terms of the state and the way it performs. People need predictability and certainty in their everyday lives and that is going to be very hard to deliver.