

3.2.1.2.24 Mining Concessions and Royalties

Definition

Costs related to the payment for the right to extract materials (limestone, aggregates etc.) from a quarry.

If the payment of mining concessions classifies for asset capitalization, it must be capitalized as other intangible asset and depreciated using the type of cost 'Depreciation and Amortization of Other Long-Term Assets'.

Royalties (normally based on sales) received from third parties are to be disclosed as type of cost 'By-Products and Other Revenues' within 'Marketing and Sales' in the respective product sub-segment. Note that revenue received from the granting of a license to produce is disclosed as type of cost 'By-Products and Other Revenues' within production costs of the respective product sub-segment.