

Bosnia and Herzegovina's NERP currently covers seven coal-fired units and one smaller fuel oil plant. Three more coal-fired power plants are in opt-out mode, allowing them to operate a total of 20,000 hours between 1 January 2018 and 31 December 2023, after which they must either close or comply with emission limit values for new plants, according to the Industrial Emissions Directive. These are TPP Tuzla 3, Tuzla 4 and Kakanj 5.

BiH also has a newer plant that does not qualify for inclusion in the NERP – Tenants, which officially started operating in September 2016 and from the very beginning had an obligation to respect the LCPD limit values.

The plants included in the NERP of Bosnia and Herzegovina, together with those included in Kosovo, are not compliant with the pollution ceilings for any pollutants: sulfur dioxide, dust or nitrogen oxides.

The most serious violations, as in other countries, relate to sulfur dioxide. In 2020, the emission of sulfur dioxide from plants included in the NERP in BiH reached almost ten times more than allowed – 220,411 tons, compared to the upper limit of 22,195 tons. Absolute emissions increased in 2020 compared to 2018 and 2019. Kakanj 7 again had the biggest overrun in 2020 – almost fifteen times more than its ceiling. It also emitted more sulfur dioxide than in 2019.

Dust emissions in 2020 amounted to 2,686 tons compared to the upper limit of 1,689 tons. This is largely a consequence of the large emission of dust from the Gacko power plant, which was over five times larger than the upper limit, as well as from the Ugljevik power plant, which was twice as large as the ceiling.

Nitrogen oxide emissions in 2020 amounted to 16,367 tons, compared to the upper limit of 12,365 tons. Here, too, Kakanj 7 had the biggest overrun, with more than double the emission in relation to the allowed one.

### **Current investments**

Bosnia and Herzegovina has so far not set a clear plan for phasing out coal. Opt-out plants must be closed when they reach the 20,000-hour limit or by the end of 2023 at the latest. Official projections that several NERP power plants will operate after 2030 seem extremely unrealistic given that their average age is already 40 years.

Elektroprivreda Bosne i Hercegovine (EPBiH) plans to invest in desulphurization equipment Kakanj 7 and Tuzla 6, but does not appear to have secured funds yet, according to the company's latest operational plan.

At the beginning of 2021, a tender for desulphurization was opened for Kakanj 7, but it is not known whether a contractor was selected. It is also not clear when other plants will be closed, nor how the breach for dust and NOx emissions will be rectified.

In the case of Ugljevik, the desulphurisation equipment is still not operational even after 12 years from the signing of the financing agreement. It is financed by a loan from the Japan International Cooperation Agency (JICA) signed in 2009. Work on denitrification equipment began only in 2017, and trial operations began in December 2019. It seemed that in 2020, CO<sub>2</sub> emissions would be significantly lower, justifying an investment of 85 million euros. However, in February 2020, technical problems were reported. The dust filters in the plant, which were repaired more than three years ago by the Czech company Termochem at a price of around 10 million euros, were defective, and their proper functioning is a precondition for desulphurization. The plant operator spent an additional 100,000 euros on a study to show how to solve the problem.

In February 2021, the power plant still did not have an operating permit for a new installation. RiTE Ugljevik, the power plant's operator, requested "technical assistance" to obtain the permit, adding another 100,000 euros to the project's costs. The contract was awarded to a company owned by the mayor of Zvornik, asking a lot of questions about why the public company RiTE Ugljevik is not able to just obtain a work permit.

Source: [bankwatch.org](https://bankwatch.org)