

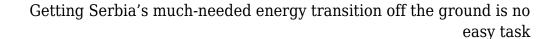
Some saw it as an important first step towards energy transition. But for Serbia's coal miners and their families, the letter sent last spring by Mining and Energy Minister Zorana Mihajlović came as a cold shower. In the letter, Mihajlović told the management of state-owned power utility Elektroprivreda Srbije (EPS, the 'Electrical Industry of Serbia') to suspend all activities on the construction of the 350 MW Kolubara B coal power plant, a 40-year-old project that has already been abandoned and revived several times. A month earlier, in April, the Serbian parliament adopted an unprecedented law on the use of renewable energy sources, paving the way for the decarbonisation of its energy sector. The law provides for an increase in the share of renewables in Serbia's energy production, which is currently dominated by coal at 70 per cent compared to just under 30 per cent for hydroelectricity.

The Minister's directive was immediately met with protests by the workers of Kolubara, a mining complex located roughly 50 kilometres south-west of the capital of Belgrade in the Kolubara river basin. Miodrag Ranković, president of the region's main trade union RB Kolubara, organised several thousand workers in protest at the construction site. "We are not against a gradual energy transition, but we cannot close our power plants overnight," says Ranković, the son and grandson of miners who himself began working in coal in 1981. "Most of the people in our region depend on coal mining. Solar and wind power do not create many jobs. If we close the power plants, what will happen to the workers? Jobs will be lost and wages will be cut."

In Serbia, the name 'Kolubara' is synonymous with electricity. Since the days of Yugoslav planning in the early 1950s, the river basin has been the heart of the country's energy production. The region's huge lignite reserves account for 75 per cent of Serbia's coal production and the various power plants in the complex provide more than half of the electricity generated in the country of seven million, the largest in the Western Balkans. While the overall workface declined as a result of privatisation and restructuring in the 2000s, with almost 30,000 employees, EPS remains one of Serbia's largest employers and has long defined the country's energy strategy. In Kolubara, 18,000 employees work for EPS and its subcontractors, 16,000 of which are members of the trade union headed by Ranković.

## High economic dependency on coal

"Having reserves this large is a gift from nature and an enormous source of wealth for a small country like ours. It ensures our energy independence," explains Ranković, who spoke with *Equal Times* from his office just behind the church square in Lazarevac. "But today we





are under enormous pressure from the big countries of the European Union [Serbia has been an official candidate for EU membership since 2012] who are trying to use green energy to make us dependent on them. We have endured much over recent years – inflation, lack of basic necessities, bombings [by NATO in 1999] – but we have always been able to rely on our own food and above all our own energy, which has allowed us to survive." This notion of independence has deep roots in Serbia, which was deeply marked by its isolation on the international scene 20 years ago, and patriotic rhetoric resonates with a large portion of the population.

The acrid smell of coal and a landscape devastated by open-cast mines are the daily reality for the inhabitants of Lazarevac, the largest town in the Kolubara basin. The mines have continued to expand along the river, swallowing homes and fields in their wake, while the smokestacks of the power plants belch out grey smoke only a few metres away from houses and farms. But few people here take offence at their impact on health or call for improvements to their environment.

Despite the mediocre quality and high sulphur content that make it so polluting, brown coal has been an economic boon for the region. Continuously expanding mining operations have attracted workers from throughout the country and remain a pillar of the national economy. In 2019, Serbia produced 39 million tonnes of lignite, making it one of the world's top 15 producers. While a quarter of the population struggles with poverty, the quality of infrastructure and local services in the Kolubara region are a testament to higher living standards made possible by the exploitation of lignite. According to the local trade union, workers in Kolubara earn an average salary of €800, a considerable sum compared to the country as a whole, where the average salary is €460 and unemployment affects almost 15 per cent of the working population.

The images of miners protesting in May resonated throughout the country. For trade unionists, they brought back memories of historic struggles. The 2000 Kolubara miners' strike played a key role in the revolution that led to the overthrow of the warmongering regime of ultra-nationalist President Slobodan Milosevic, who was later transferred to the Hague Tribunal and ultimately died in prison. "It always gives me goose bumps when the miners of Kolubara go on strike," says Dragana Petković-Gajić, who has been involved with the Confederation of Autonomous Trade Unions of Serbia (CATUS), the country's main trade union confederation, for 30 years. "They very rarely strike and when they do, it has a very strong symbolic and emotional component, because they do a very hard job. When they protest it means they have good cause to be worried."

According to various estimates, Serbia's subsoil contains more than four billion tonnes of



lignite. With such seemingly inexhaustible reserves ensuring affordable electricity for consumers, even if heavily subsidised by the state, few people in Serbia are concerned about the urgency of climate change or imagine a future without coal. Advocates of lignite warn that energy prices will soar if coal is phased out, pointing to the current surge in gas prices and the instability of wind generation. But an increasing number of alarming studies on its health impact, coupled with the intensifying effects of climate change, have pushed many to adapt their discourse, notably the trade unions.

## Awareness of the need for transition

In 2014, Serbia, along with the rest of the Balkans, was hit by unprecedented flooding, which led to the deaths of 33 people and material damage estimated at more than €1.5 billion. The rising waters of the Kolubara River brought coal production to a halt for over a week. "Just a few years ago, the region's trade unions were not interested in climate change or just transition," acknowledges Enisa Salimović, South-East Europe coordinator for the International Trade Union Confederation (ITUC). "They were interested in wages, social dialogue, pension reforms, tax reforms, etc. But over the last four years or so, people have begun to understand why a just transition is so important. Climate change and pollution affect all of us and we are all suffering the consequences of past choices and decisions." According to a report by the Europe Beyond Coal campaign, under the responsibility of the Health and Environment Alliance (HEAL), emissions from Western Balkan coal power plants were responsible for around 3,900 premature deaths in Europe, as well as 8,500 cases of bronchitis in children and a number of other chronic diseases. Serbia holds the sad record for most pollution-related deaths Europe at 175 per 100,000 people. As a result, the dramatic impact of coal on human health, above all on workers and their families, has become part of the trade union agenda in the Western Balkan countries, all of which are candidates or potential candidates for EU membership. The power plants built during the Yugoslav era are often dilapidated and are among the most polluting on the European continent. According to a study published in late 2019 by NGO Bankwatch CEE, 16 coal power plants in the Western Balkans emit as much sulphur dioxide as 250 plants in the EU. Four of the top 10 most polluting plants are located in Serbia, though their deadly clouds do not stop at the border and this pollution also affects EU citizens.

Although Serbia has made commitments to drastically reduce its emissions as both a candidate for EU membership as well as a signatory to the 2015 Paris Agreement to limit global warning and a member of the European Energy Community, established in 2006, the country emitted 333,602 tonnes of sulphur dioxide in 2020, as much as all EU member



states combined. "According to the obligations of the European Energy Community, Serbia was supposed to apply the new standards as of 1 January 2018, but it continues to emit six times more CO2 than those standards allow," says Hristina Vojvodić of the Renewables and Environmental Regulatory Institute (RERI).

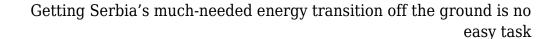
"Unfortunately, there is no plan for reducing these emissions. We have repeatedly referred to the inspectorate, but they told us they couldn't do anything. The Energy Community has launched a case against Serbia for non-compliance with its commitments."

Serbia's refusal to comply with its commitments comes at a cost to both health and the economy. According to Bankwatch, pollution due to coal emissions caused a total of 600,000 working days lost and resulted in economic losses approaching €5 billion. These figures have not been met with complete indifference by the government of the right-wing and authoritarian Serbian president Aleksandar Vučić. Serbia has, for example, signed the 2020 Sofia Declaration on the Green Agenda for the Western Balkans, which affirms commitment to climate neutrality by 2050. However, some stakeholders complain of doublespeak on the part of the Serbian government and a lack of transparency in decision-making. The government's draft spatial plan for 2021-2035 envisages the construction of six new coal-fired power stations.

"We've known about the need for transition since 2006, but no one has done anything," says Vojvodić. "In 2015, we signed the Paris Agreement and then...nothing. The authorities give the occasional speech about the need for change, but nothing happens. They are now being forced to act because other countries are acting, but it's already very late. If we wait any longer, this transition will not be just." This summer, while touting the launch of low-carbon solar and hydroelectric projects, the Serbian president reiterated his support for the coal industry as a guarantee of independence and national security.

## Pressure from civil society

To the extent that Serbian leaders are now being forced to take a position on energy issues, it is thanks to increasing pressure from civil society. Over the last few months, the country has seen major demonstrations calling for a change in environmental policy. Inhabitants of Belgrade are increasingly frustrated by the toxic fumes from the Nikola Tesla power plants that plunge the capital into a suffocating smog every winter and make their city of two million one of the top ten most polluted capitals in the world. These demonstrations have placed environmental issues at the centre of the political debate and given rise to an unprecedented coalition of political actors developing their own strategies for a green transition that take workers into account. Predrag Momčilović is a specialist in energy





issues with the citizen movement Ne Davimo Beograd.

"At the request of some trade unions, I recently gave three presentations on the role of unions in just transition. The resolutions they adopted included 'There is no work on a dead planet.' It's all still going a bit too slow for my liking but they are starting to think about these issues."

Trade unions are paying attention to these new citizen demands, even if they worry about about the disastrous social consequences of a hasty transition. The country's on-going transition from socialism to a market economy has created deep resentment among Serbian workers. For them, the word 'transition' is often synonymous with privatisation, impoverishment and the loss of social rights. "When people plug in their phones, they don't care where the electricity comes from, it doesn't make any difference to them. But there are people behind those sockets," says Salimović of the ITUC.

"We've already experienced several transitions. After the breakup of socialist Yugoslavia, we left behind a planned economy and in the minds of many people, it is the state that must respond to employment problems. People still expect a lot from the state and this is surely the most difficult transition of all: changing people's mentalities," she says. In order to start changing these mentalities, trade unions have begun to place the concept of 'just transition' at the heart of their agendas. Their focus is first and foremost on education and raising awareness. They have begun holding seminars and roundtables on the subject, an essential step in a country where, for lack of real political will to counter it, the scientific evidence of climate change is still contested and conspiracy theories are widespread. "We have to take things one step at a time because just transition is a very contentious subject," says Dragana Petković-Gajić of CATUS. "But as a trade union, we have always had to deal with complicated topics, including social dialogue and informal work. Now we have to deal with just transition, but we need time to prepare. It's a question that is more relevant in Eastern Europe than in Western Europe. Each country and each trade union has its own problems. The Western countries have to understand that we need a balanced approach to just transition."

These concerns are justified. According to several stakeholders, despite the Serbian government's commitments to a decarbonised economy by 2050, it still lacks a social strategy for an exit from coal. Trade unions fear for the future of the mining regions, which remain entirely dependent on the extraction of lignite. The vocational schools in the Kolubara region, for example, continue to train new generations of miners without adapting their curricula to the new climate and energy challenges. "We can learn from former coal mining regions in Europe that are implementing this just transition," says Momčilović of Ne



Davimo Beograd. "To do so, we need the state to make significant investments in other renewable industries in order to create opportunities for retraining coal workers. But ensuring that green jobs offer decent wages and good working conditions is just as important. More and more coal workers are already working on temporary contracts and without the right to unionise."

## Financing the transition: the true challenge

When it comes to things like industrial conversion, training, support measures and early retirement, everyone agrees: the energy transition will come at a considerable cost and require significant investment that Serbia is incapable of making without the help of external partners. "The energy sector desperately needs money to make this just transition," says Petković-Gajić of CATUS. "European countries must help Serbia. The workers believe that Serbia will be left high and dry, as was the case with the previous transition and privatisations. They are convinced that they will be left without money." Financing the energy transition will also depend on the evolution of Serbian leaders' geopolitical positioning. Some of their recent economic choices have given rise to fears that they will abandon some of their international commitments. "On the one hand, we are repeatedly told that we will one day be a member of the EU," says Vojvodić of RERI. "On the other hand, decisions are being made that are opposed to European commitments. Serbian leaders are saying one thing to Serbian society and another thing to foreign stakeholders. But this is not sustainable in the long term."

China, which has a significant presence in Serbia, has multiplied its investments in the country in recent years, notably financing polluting industrial activities that do not respect EU environmental standards such as the Kostulac B3 coal-fired power plant. It remains to be seen what impact Chinese President Xi Jinping's recent commitment to stop building new coal-fired power plants abroad will have in Serbia. As for European financiers, the European Bank for Reconstruction and Development's (EBRD) support for wind power projects and its move away from coal represent an initial concrete step towards energy diversification. While Serbia's energy transition is still in its infancy due to a lack of clear political commitment, the impact it has on thousands of coal workers will depend on essential financial support from abroad, as well as the ability of trade unions and civil society to take matters into their own hands and influence political decision-makers.

Source: equaltimes.org