

Denis Žiško from the Center for Ecology and Energy in Tuzla talks about coal projects in Bosnia and Herzegovina.

Of all the countries of the Western Balkans, Northern Macedonia is the only country that plans to abolish coal by 2030, which has given up on building new thermal power plants, as well as Montenegro and Kosovo. On the other hand, at least five projects related to coal-fired power plants are currently planned in Bosnia and Herzegovina.

The reason why politicians in BiH signed the Sofia Agreement is because the agreement also includes funds to help the countries of the Western Balkans, some 9 billion euros. That 9 billion euros will be conditioned by the application of decarbonisation, by accepting the way in which Europe will deal with the problem of climate change. This means – no project that will be funded from these funds can be a continuation of the use of fossil fuels. So, it is a chance for progress, a chance that after this crisis caused by COVID, funds will be obtained that will be invested in the economy in order for the economy to recover, going in the direction of sustainable development, ie decarbonized society by 2050, because if we do not, we are in danger of a climate catastrophe.

Unfortunately, our politicians simply do not want change, because they have established a system that is extremely useful for them in the last 25 years and they have exceptional profits, profits, benefits from this system, while, of course, the citizens of Bosnia and Herzegovina have none. The only way out for the citizens of BiH from that is to actually go to Europe. Our politicians are not interested in that because our politicians think from election to election, and we know very well that we have elections every two years and the thinking of our politicians is in the direction of 'Let me take as much as I can in these two or four years, because who knows what will be after that '.

What exactly does the Green Agenda for the Western Balkans, signed by the Sofia Declaration, envisage and what does it mean regarding the obligations of BiH?

It implies practically everything that Europe planned to do in that period of 30 years in order to reach that goal – a decarbonised society in 2050. This means that some energy policies should be determined to decarbonize, plan the decarbonization of the energy system as the simplest sector for decarbonization, because in addition to decarbonization of the energy sector, we must think about decarbonization of transport and agriculture, as the two sectors that contribute most to climate change.

What we have committed through this declaration, that we will, among other things, harmonize with the greenhouse gas emissions trading system, which means that taxes on



CO2 emissions will be introduced, which will thus increase the cost of energy production from coal, that is, will lead to bankruptcy of electric power companies, because all documents and all studies and analyzes of the profitability of the energy sector, ie investments in coal, have proved, and these are documents made by electric power companies, prove that if 5 euros per ton of CO2 emissions are introduced, electric power companies will go bankrupt, in a situation when they will not be able to produce electricity, ie they will not be able to repay loans, they will not be competitive on the market. The current price of CO2 on the European market is 40 euros.

Then why are new coal-fired power plants planned in Bosnia and Herzegovina?

Because of the tender. Our politicians think in cycles of four years. Investments in Block VII of the Tuzla Thermal Power Plant and construction should last for about four or five years, which is exactly the period where the money will be spent. There are some clauses in the contracts that say that in the tender procedure itself, for the little money that will be subcontracted to BiH. construction companies, Elektroprivreda makes the final decision on which company will receive the contract, despite the fact that the Chinese partner will conduct the prescribed tender procedure. Thus, they calculate that some of their interests will be fulfilled, and after that, when the time comes to repay the loan, since they received a guarantee from the Parliament of the Federation of BiH, ie the state of BiH, that the state guarantees the repayment of that loan. We know very well who in Bosnia and Herzegovina repays the loans, usually they are guarantors, and with this guarantee we have all become guarantors for that loan, in the end the citizens of Bosnia and Herzegovina, ie the citizens of the Federation of BiH will repay that loan.

Of course, those who made this decision, unfortunately, are all parliamentarians who raised their hand and voted for that state guarantee, they will not bear any consequences, since no one has ever been held accountable for such things, I can only call it a crime in our country. country, and they calculate that the same case will be with that loan, that is, with the project of Block VII.

Recently, the BiH Council of Ministers adopted the Plan – Determined Contribution of Bosnia and Herzegovina (NDC) for the period 2020-2030, which should contribute to the reduction of greenhouse gas emissions by BiH. However, environmental associations claim that the completely unambitious goals of the NDC plan have been adopted, based on an outdated but still valid energy strategy based on new investments in coal-fired power plants in BiH. What is controversial for ecologists and why?



The irony is that it is a document that actually defines the contribution of countries related to reducing the greenhouse effect, ie reducing climate change, in which they wrote that our contribution to this goal will be achieved by building a new 1,050 MW of installed capacity in thermal power plants, which in itself is nonsense. In conversations with the ministry and with the consultants who worked on that document, let's call it a public hearing, which was not a public hearing according to the law, we received an answer from the consultants and the ministry that it doesn't matter that it was written that way because do a revision of that document in two years. So we can see what the ultimate goal of such documents is, and that is to spend the funds intended for Bosnia and Herzegovina again in two years, to pay consultants to write what they could have written this year. A document that as such represents nothing, which will be placed in a drawer.

The Alliance 'Coal-Free Europe' is in favor of closing coal mines and thermal power plants to this fuel and preventing the construction of new thermal power plants. What do you offer as an alternative to the BiH authorities?

What we are advocating is to make a realistic, normal plan that will define the way in which the mines and thermal power plants will be closed within some normal period. We are saying here that Europe plans to do this in some ten, fifteen years. There is no obstacle for us to make and make the same plans, especially if we know that according to the Sofia Declaration, there are funds provided for a fair transition and there is a platform for a fair transition to help areas that are currently dependent on coal. It is a process that will last for the next ten, fifteen, twenty years, but in order for that process to start, we need to accept the fact that coal has come to an end and start working on serious strategic documents that will define the way we will get out of coal.

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