

Like almost every morning, the mist is slowly lifting in the valley of Pljevlja. It is a particularly mild autumn this year, but the pungent smell of coal is already permeating this small town nestled in the dense forests of north-eastern Montenegro. The coal mine, just a stone's throw from the town centre, is in full swing.

Engineer Bogoljub Djondovic, who was born and bred here, works at the mine. "It's simple, without the power plant and the coal mine, there is no Montenegro," he says with assurance. Djondovic is also the president of the trade union organisation at the Pljevlja coal mine, the SORUP (Sindikalna organizacija Rudnik uglja Pljevlja). "Our economy would no longer be able to function, because we have next to no industry left. For years, government policy has been solely focused on tourism, and almost all of our manufacturing firms have shut down. The only industry left standing, and the one that keeps Montenegro ticking over, is Pljevlja!"

The Pljevlja coal-fired power station, which has been in operation for 40 years, is the only thermal power plant in Montenegro and has a capacity of 230 MW. Depending on the time of year, it provides between 40 and 50 per cent of the electricity supply for this small country of 620,000 inhabitants that gained independence from Serbia in 2006.

Lignite continues to be one of the main income providers for the municipality's 27,000 inhabitants. "A large share of the jobs in the region are linked to the thermal power plant and the mine," explains Velibor Tomcic, president of the union at the Pljevlja power plant, the STP (Sindikat Termoelektrane Pljevlja). "Despite the job losses caused by automation, our companies are still the largest and most important not only in the municipality, but in the whole of Montenegro."

"We're currently celebrating the plant's 40th year in operation and one generation is retiring but others are taking their place. As a trade union, we are keen to see as many young people as possible joining companies as essential as the power station and the coal mine."

In July 2022, 1,045 people in Pljevlja were employed by the country's main electricity supplier, the state-owned Elektroprivreda Crne Gore (EPCG). With a salary of over €1,000, which is higher than the average gross salary of €886 in Montenegro, jobs at the power plant are still much sought after in the region.

But if the country wants to meet its commitments in terms of carbon emissions, the plant may have to shut down in a decade or so. In 2021, then prime minister Zdravko Krivokapić announced that Montenegro would phase out coal by 2035, at the latest.

Like the other plants built during the socialist era in Yugoslavia (1945-1992), the Pljevlja lignite power station is one of the most polluting in Europe. Its dust and sulphur dioxide

(SO₂) emissions badly affect the health of the local residents. “The future of Pljevlja is central to Montenegro’s climate targets, as the plant is the country’s biggest polluter: its emissions account for between 80 and 90 per cent of Montenegro’s total greenhouse gas emissions,” says Natasa Kovacevic, who is in charge of the heating sector decarbonisation campaign for the NGO Bankwatch.

“According to data from 2016, Pljevlja is a city with 133 premature deaths a year and a high level of respiratory diseases, cancers and other chronic diseases. The city has been suffering for more than 40 years now and it has to stop.” According to the World Health Organization, Pljevlja is one of the ten most polluted cities in Europe, and 22 per cent of all deaths are caused by air pollution.

A transition viewed with mistrust

In light of the Paris Agreements and the European Green Pact, the country, which has been a candidate for European Union membership since 2010, is poorly positioned to meet its commitments in terms of environmental standards, especially when it comes to carbon emissions.

The secretariat of the Energy Community opened a procedure against the country in April 2021 after TPP Pljevlja already exceeded its quota of 20,000 operating hours for the 2018-2023 period at the end of 2020. According to environmental NGOs, the fact that the plant is currently operating illegally illustrates the disconnect between the authorities’ stated position on climate issues on the international scene and the reality on the ground.

“Officially, we have to prepare a whole series of documents that respond to the commitments the country has signed, but nothing has been done yet,” laments Sanja Orlandic, secretary general of the NGO Green Home.

“The first thing we need to do is to draw up our National Energy and Climate Plan (NECP), which should set the date for the closure of the thermal power plant in Pljevlja. We don’t yet have this kind of information, and we don’t even have a plan or a vision of what we have to do in the coming years.”

Montenegro has often been a forerunner. In 1992, it became an “ecological state”, as set out in its constitution. And yet, the phase-out of fossil fuels is struggling to arouse interest in a society with deep political divisions. The country is regularly rocked by identity issues, pushing climate issues into the background.

Workers view the “energy transition” prescribed by the European Commission with scepticism. “Following the collapse of Yugoslavia, 30 years ago, we already experienced the economic transition from an industrial to a service economy, which involved widespread

privatisation,” says Vladimir Krsmanovic of the Confederation of Trade Unions of Montenegro (SSCG – Saveza sindikata Crne Gore). “In the end, it was the workers who paid the bill for this transition, with the job losses and the ‘social plans’ that shut down their factories. So, when they hear about transition, the workers say: ‘No, thank you!’, because we’ve been in transition for 30 years!” The factories lying in ruins around Pljevlja bear witness to the severity of the economic and social shock experienced by workers from the former Yugoslavia in recent decades.

The legacy of the transition to a market economy means that very few people are receptive to the arguments in favour of a new ‘green transition’ and the decarbonisation of the energy sector. Courted or called out by political parties during election periods, the workers in Pljevlja do not believe in the change of course announced by some politicians. In July 2021, under pressure from the European Union, the prime minister even said that the plant would likely be closed down in 2030.

“I don’t think Montenegro will be ready to close the thermal power plant in 2030,” says Bogoljub Djondovic of the SORUP. “It’s just not feasible, especially when you consider the situation from an economic perspective and over the long term.”

“The main problem is our politicians’ lack of vision: they act like managers, appointing incompetent people to positions of responsibility, just to make it easier to keep them under control. As a result, no one in Montenegro is seriously thinking about the prospect of Pljevlja shutting down.”

Far from slowing down their activities, the Pljevlja power plant and mines are currently operating at full capacity. The winter looks set to be difficult and Montenegrin lignite seems to be emerging as a safe bet in a global context marked by uncertainty and multiple crises. This summer, EPCG officials agreed to sell 300,000 tonnes of coal to neighbouring Serbia, and exports by truck to the nearby border are well underway. “The current economic crisis means that we are working harder than ever to overcome the shortage of electricity on the market,” says Velibor Tomcic of the STP. “The thermal power plant also has to compensate locally for the reduced output from our hydroelectric plants, as the water level is low this year.” At a time when the effectiveness of hydropower is increasingly being called into question by repeated periods of drought, the Mediterranean country is in the process of launching its first solar farm projects.

Political crisis and climate scepticism

Everyone in Pljevlja knows someone who suffers from the pollution caused by the power station. But very few dare to complain openly, as the end of coal could mean the death of a

town whose population has been almost halved in 50 years.

For Velibor Tomcic, this suffering is the price to pay for Montenegro's energy independence. "We are well aware of the pollution caused by the plant, but this plant provides our country and society as a whole with tremendous energy security, and that is something we are proud of. We are relying heavily on the ecological reconstruction that is underway at the plant, and we hope that this will reduce the various types of pollution, both in terms of wastewater and GHG emissions."

It is impossible to know what the real impact of this €60 million "ecological reconstruction" will be, as the project is not very transparent. The fact that BB Solar, a company headed by Blazo Djukanovic, the son of the president, Milo Djukanovic, is part of the Sino-Montenegrin consortium that won the tender has attracted a considerable amount of criticism, but also concerns about the effectiveness of the environmental standards.

Two years ago, Djukanovic's Democratic Party of Socialists (DPS) lost power after 30 years of continuous rule. Since these elections, Montenegro seems to be embroiled in an interminable political crisis, without a government or parliamentary majority. This instability is preventing the country from making progress on issues related to the climate emergency.

"According to a recent Ipsos poll, 31 per cent of Montenegrins do not believe in climate change," says Natasa Kovacevic of the NGO Bankwatch.

"Yet we are increasingly affected by extreme weather events, such as droughts and floods. The challenge is huge, but people still don't fully understand the issues. The country needs leaders who have a clear vision of the energy transition and the just transition. Otherwise, we will be saddled with rushed reforms, the implementation of which will be hard to monitor. Such reforms will be difficult and complex to manage if driven by short-term thinking."

While Montenegro's trade unions are, as elsewhere, confronted with the individualisation of labour relations and the fragmentation of society, their leaders fear the consequences of an unplanned departure from coal. "The state should put forward a proposal for a job replacement strategy, and not just any jobs but quality jobs in sectors of the future," argues Vladimir Krsmanovic of the SSCG. "Because if we solve this problem by simply closing the mine and sending everyone into retirement, Pljevlja will die. We all need to take a more proactive approach and develop a sustainable strategy that will meet the need for a stable economy."

Against the backdrop of the global energy crisis and the repeated droughts impacting on the output of hydroelectric plants, an end to coal is not yet on the agenda in Montenegro. And

Montenegro, Dependence on TPP Pljevlja is holding back the energy transition

the authorities are, in fact, studying the possibility of opening new lignite mines in the Pljevlja region, Equal Times writes.