

Coal is harmful, but for now in Serbia it is inevitable. This was a brief message by the Serbian Energy Minister, Mr. Aleksandar Antic, from the gathering Does the Western Balkans Need Thermal Power Plants. He argued this by the costs and the presence of coal in the energy package of the large part of Europe, announcing that by 2025 desulphurisation and denitrification in thermal power plants remaining in operation would be finalised. An environmental expert of the SEE Energy Community, Mr. Peter Vajda, is of the opinion that under the present state of things thermal power plants should rather be closed than used to advance the energy sector. Fossil fuels are only seemingly cheap, as they incur high costs by damaging health and the environment, while even Serbia, rich in these resources, can count on them for only a few decades.

Serbia's thermal power plants generate as much as 70%, Antic said at a conference held under the auspices of the Ministry. "We are not happy about this relationship, however, this is our reality", he said.

The conference was organised to discuss the statements of the Health and Environment Alliance that health systems of the Western Balkans annually allocate as much as eight billion euros for healthcare services due to the harmful effects of power plants.

Antic added that environmental effects of coal need to be reduced, but that the criticism about the use of coal should be faced by presenting the actual situation.

He said that many countries of the European Union generate more electricity from coal and cited Poland with 150 terawatt hours (TWh), Germany with 250TWh and the Czech Republic with 50 as examples, while Serbia's total generation is 38 terawatt hours of electricity.

These countries, however, are not comparable with Serbia as they are usually quite large, and have developed industries. Romania, he said, generated 25 TWh from coal. "The only countries with a very low percentage of coal are the ones generating electricity from nuclear energy," he said.

"I do not wish to defend the thermal sector, but to look at the actual numbers," said Antic.

Antic: We are reducing pollution

Antic said that Serbia until 2025 would finalise desulphurisation and denitrification, and introduce sulphur dioxide and nitrogen oxides capture systems in its electricity generation on all plants remaining in operation.

He also said that the planned projects would enable 1,090 megawatts of capacity from renewable energy sources. For now, there is small hydro, solar and biogas.

As a particularly important project in the near future, he announced large wind farms of 489 MW, for which, as he said, by-laws had already prepared and their adoption was expected soon, either by the technical government or the new government.

However, Antic's position is that renewable energy sources in Serbia are not sufficient to turn around Serbia's energy mix Serbia.

This position was also supported by the SEE Energy Community environmental expert, Mr. Peter Vajda, who said that coal and other fossil fuels are seemingly cheap, however, they incur external costs, i.e. costs of damaged health, environment, agriculture...

In addition, Vajda said that this situation was not sustainable, as Serbia, although rich in coal, only has this energy source for the next few decades, while later it would certainly have to find a new solution. The later this starts, the more painful the process, Vajda said.

Vajda: Major benefits of environmental standards

Vajda argued that under the current circumstances, thermal power generation should not be the backbone of the energy sector, adding that the so-called external costs, such as the environmental and health impacts, are high.

The view that environmental standards may indeed be beneficial is maintained the 2013 Energy Community study, which in Mr. Vajda's words demonstrated that the Western Balkans' benefits from applying the large combustion plants and industrial emissions directives would exceed costs by 15 times. This also covers the reduction of the so-called external costs, i.e. environmental and health costs.

He added that it is crucial that citizens understood this as the entire society would bear the costs of energy transition.

Vajda said that preparations are under way in all of the Energy Community countries to implement the large combustion plants directive from 1 January 2018, however, that this deadline, when looking at the energy standards and the required preparation time, is actually "tomorrow".

EPS: Is there an alternative?

Strategy Director of the Electric Power Industry of Serbia, Mr. Aleksandar Jakovljevic, said that 60% of the Western Balkans' capacities is coal-fired. Consumption growth is likely, although not high. Energy balance changes are not expected, while in 2015 the region saw a slight deficit of 6.3 terawatts, or 3% of total energy needs.

According to him, despite the renewable energy sources development plans, coal will remain dominant.

As an alternative, in theory he mentioned nuclear power plants, further development of large hydro and renewable energy sources. He also noted that there are certain restrictions. Jakovljevic said that for now there are legal restrictions for nuclear power plants, however, if these restrictions were to be removed, first steps would require 20 years or more, and added that the construction is expensive, with the cost of 5,000 to 6,000 euros per installed

kilowatt.

He added that Serbia has a great potential of 17 to 18 terawatt hours from large hydro which may be technically exploited and said that from this number some 11 TWh in the best locations had already been utilised while the technical and financial feasibility of the remaining five to six TWh is still questionable, given that, inter alia, they are partially located in border regions.

Jakovljevic said that renewable energy sources should indeed be developed and maintained that in this area all the countries of the region, except Croatia, were still in the initial phase.

Background

The report “The Unpaid Health Bill - How Coal Power Plants in the Western Balkans Make Us Sick”, by a non-profit organisation Health and Environment Alliance (HEAL) showed that air pollution from coal-fired power plants in the Western Balkans incurs costs for the regional and EU health systems at the level of 8.5 billion a year. This is the first-ever estimate of health costs made so far, and published on 15 March.

The Western Balkans are home to seven out of ten coal-fired power plants which are the biggest polluters in Europe. Fumes from these plants contribute to air pollution, which is a serious health risk in these countries. Polluted air is associated with unnecessarily high rates of premature death, chronic lung disease, heart conditions and asthma. Europe’s leaders, experts say, should support countries in the region by encouraging a move away from coal to improve health and tackle climate change.

The report covered Serbia, Kosovo, Bosnia and Herzegovina, Macedonia and Montenegro. Albania was not covered as it does not have any coal-fired power plants. Price of pollution from the coal-fired power plants in the Western Balkans is calculated on the basis of costs directly related to air pollution from coal-fired electricity plants, including from premature deaths, respiratory and cardiovascular hospital admissions, new cases of chronic bronchitis and lower respiratory problems, medication use and days of restricted activity due to ill-health, including lost working days.

Environmentalists dispute the assertions about the lack of money and the capacity for radical change in the energy mix as arguments for retaining the dominant position of coal. Garret Tankosic-Kelly of the SEE Change Net Foundation shows that the expert energy models clearly indicate that “the enormous potential for solar, wind and biomass - combined with much more energy efficiency - would lead to a cleaner, fairer, and more efficient energy system in South East Europe, and for the same cost as the currently planned investments in dirty lignite.”