

Serbia is working on an auction model for RES - Who wins decarbonisation will be rich in the long run

The European Commission, as Kopac said, has announced that it will introduce a carbon footprint tax for sectors where the price of CO₂ emissions plays an important role, as it is a major expense. One reason is the large increase in imports of electricity produced from coal in non-EU countries where CO₂ emissions are not being paid.

Decarbonisation is a big game globally, and it marks the development of new technologies. Whoever wins the race will be rich in the long run, said Janez Kopac, director of the Energy Community (EC) Secretariat at the panel “Transition of the Energy Sector” at this year’s Trebinje Energy Summit, held on March 5-6.

- We are witnessing how the United States, China, India, the EU are struggling in the field of decarbonisation. Those who are decarbonized and technologically well-equipped in the future will be economically strong, and those who insist on fossil fuels such as coal, oil, gas will be underdeveloped - said Kopac.

Kopac pointed out that decarbonisation is in fact the second transition of the energy sector, and the first one has already taken place and meant a transition from state regulation of electricity production to market competition.

- Unfortunately, the first one has not yet been fully implemented in the Energy Community, and the second one is already happening. Without completing the first, some countries cannot enter another and that is a great tragedy - Kopač points out.

In the Western Balkans, he said, some countries have gone further than others in the context of investing in new technologies and renewable energy sources (RES) and are making better progress with their obligations as EU members.

- The winners in the region are Montenegro and North Macedonia, followed by Serbia, and BiH is unfortunately lagging behind in many areas due to unsuccessful reforms. Everything is blocked because of the Law on the Electricity Market, and that law must be adopted, because it hinders BiH. RS is in a good situation in the field of electricity, has a new draft Law on Electricity and is good and advanced, but has one member who is wrong - the regulation of production prices remains, and this is contrary to the second and third energy package. This should be corrected because it is harmful in the long run.

What is happening because of the absence of competition?, Kopač asked, and gave an illustrative example:

- The price of gas for the industrial sector in BiH is the fourth highest in Europe, because there is no competition, and it is not due to the lack of state law.

Otherwise, as Kopac said, citing statistical data for 2018, the share of electricity produced from RES in BiH is decreasing, rather than growing.

- The obligation is to be 40% in 2020, but it has not been realized. However, we will not initiate misdemeanor proceedings, "he said.

Serbia certainly has a developed awareness that it is necessary to invest in RES, said Mirjana Filipovic, State Secretary of the Ministry of Mining and Energy of Serbia.

- In the previous period, we have done a lot of work on the construction of RES facilities. We had some 500 MW of wind on the system, which is the starting point in our country's energy transition. Of course, this is only the beginning, followed by a major analysis of the potential and how to reach the next model. Serbia continues to work on the next model with the EBRD, which will be the auction model for RES.

She stressed the importance of cooperation between Serbia and RS in the construction of hydropower facilities.

- We see it as a benefit for all parties, not only these two countries, but the whole region.

The most important thing for us is the citizens' awareness and the process of decarbonisation. As EU Member States, we can be well positioned and jointly take action to achieve the goals that we need from the EU most effectively. Of course, money is always needed, and we can expect the help of the European Commission.

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