

At a time when the EU strives to achieve net-zero greenhouse gas emissions by 2050, coal still represents more than half of electricity across much of the Western Balkans and other EU neighbouring countries, writes Janez Kopač. Making things worse, coal plants are intensively supported by Chinese and US capital, without active opposition of the EU, he says.

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The Energy Union was introduced as a political programme by the Juncker Commission in an attempt to move away from energy silos and ensure a holistic approach to European energy policy-making.

The traditional trinity of objectives (competitiveness, security of supply, sustainability) was refocused on decarbonisation and the fight against climate change. With the Clean Energy Package, the objectives of the Energy Union became part of a legal framework of the EU. The Energy Union project is thus about to end. It could be considered a happy end if it were not for a few countries on the periphery of the Energy Union which are home to some 15% of Europe's, largely forgotten, population.

The Energy Community Contracting Parties (Albania, Bosnia and Herzegovina, Georgia, Kosovo, Moldova, Montenegro, North Macedonia, Serbia and Ukraine) with a population of 70 million have been included in the EU's internal energy market by a Treaty and follow, at least partly, the same energy market rules. Yet the one policy - energy - which was meant to draw them closer to the EU may end up pushing them further away.

To date, the Energy Community Contracting Parties have taken no steps to follow the EU in its decarbonisation pathway. The Energy Community's acquis related to decarbonisation essentially ends with energy efficiency and renewables targets for 2020.

A common target for the reduction of CO₂ emissions, let alone the incorporation of the Emission Trading Scheme Directive, has not even been seriously discussed. A proposal for 2030 targets, a prerogative of the European Commission, which would give the Energy Community a similar decarbonisation vision as the EU, is still to be tabled for adoption. But even if such proposals were tabled now, the reform capacity of the Contracting Parties is doubtful. After neglecting for years the decarbonisation imperative on regional and national levels, the reform efforts in an already difficult social-economic environment would have to be doubled or more.

At a time when the EU strives to achieve net-zero greenhouse gas emissions by 2050, coal still represents 97% of electricity generation in Kosovo, some 70% in Serbia and Bosnia and Herzegovina, more than half in North Macedonia, around half in Montenegro and some 28% in Ukraine.

What makes things worse is that in the absence of a carbon price, the self-illusion of profitability of coal-fired power generation triggers new investments into coal. These are intensively supported by Chinese and US capital, without active opposition of the EU. It could be said that the lack of EU action contributes to the prolongation of the use of coal.

Source: euractiv