

Honorable Ministers, Directors of the Energy Community, ladies and gentlemen,

The situation in global energy has never been more uncertain. The need for urgent action in fight against climate change has brought us worries, constraints but also very important tasks.

The growth in demand for energy products in the post-covid period, as well as the impact on prices, only added to the existing concerns. In addition, today, in the wake of the Russian aggression against Ukraine, the incredible feeling that today in Europe we have a war again after 70 years, is a clear sign we lack energy, or that we have to find new ways to get it, and that fact represents the highest threat to the energy security of our continent.

The world is changing, and many of the drivers of these changes are interacting and engaging in complex relationships between human needs on the one hand, and desires, possibilities and speed of technological development on the other. Human civilization is unstable at the moment, but it will not remain so, and we must do everything we can to get through this period of making many short-term decisions as painlessly as possible – provided that we do not jeopardize our path and future, which is a decarbonized world, and green economic development. It's the only way to ensure that as a planet we have enough energy, food and water.

Precisely because of the problems that transcend our generation and represent, above all a political issue, no one can and should be alone in this process. United–national governments, international organizations, scientific and developmental, civil sector, and workers should work on new narratives and different policies, creating alternative proposals for economic growth and human progress.

The energy sector today faces major challenges, which require major revolutionary changes. That is why I like to say that we are in an energy revolution that will determine the course of future development of the world, of Europe, of our region, more than any industrial revolution to date.

We, in this area of the Western Balkans, Southeast Europe, the region working within the Energy Community, share a common ambition, which is to have a democratically open and prosperous space that people will not leave.

On this path, we are not alone–the EU and the Energy Community are our key partners, with whom we need to work much more, because this area also needs a common market, based on EU rules, the same way we need a regional economic space.

Our region can and should be on the map of global green energy investors. We, as a region, can only become the center of a new green energy deal if we want to. I need not remind you of the estimates which say that regional economic integration can generate 1-3% GDP growth. Do we have the strength to deal with all of each other's struggles and build a future together?

- when preparing the points for my speech, my associates wrote: "we have made a commitment, we have obligations.. we have to, ..."

No, it's a misperception of everyone who does this job, of all politicians who think that progress and development are a “must.”

No, these are the words of those who fear past and thus fail to think about the future.

But our joint agreement must be the future of the region, because it is a way for future generations to live in a different environment. In an environment where billions of euros will not be spent on the healthcare problems caused by the climate change, and where we will not have food shortages because of droughts, floods and other natural disasters caused by climate changes. Looking into the future requires each of us to take action urgently, and green our reality and our future by working on a trilemma: economy–energy-ecology.

Our goals need to be ambitious, and their realization needs to be fair, so a fair transition is the only way to turn all the challenges, obstructions, constraints, and concerns we see today into our strengths and new growth models.

Economic growth is closely linked to the growth of production, consumption and use of resources and, of course, has decisive effects on the natural environment and human health.

Greening our economy in a fair and inclusive manner will further maximize social and economic opportunities, strengthen our ability to sustainably manage natural resources and minimize challenges through reducing inequality and poverty, and reducing gender gaps.

The worries we feel as policy-makers, but also as ordinary citizens in our countries all stem from the risk that we take if we do not embark on an energy and fair transition, because that will mean the impossibility of progress, not only today but future generations. Another concern is that if this transition is not carried out with a clear, detailed plan and carefully, then we will face a rise in social inequality, bigotry, and poverty, labor shortages, productivity decline, economic and other collapses.

We all together–governments and employees are responsible for carrying out these changes and we share responsibilities for defining and implementing this innovative path for a healthy and green future.

Today, coal is predominantly used in energy production in our region, from Serbia, Bosnia to the so-called Kosovo (from 60 to 90%). And the reports warn us that pollution levels (SO₂, CO₂, soot and ash) have long exceeded the permitted limits, set by national legislation.

Should there be a more striking picture than the picture that in 2020, 18 coal-fired power plants in our region were responsible for emissions that were close to three times the emissions of 221 TPPs in the EU!!

We must not constantly hide ourselves behind the pretext that renewable energy is not secure enough, and that it is more important that we have energy by pretending not to see that in just two years over 19,000 people in our area have died in direct response to emissions from coal-fired power plants.

Many countries outside our region started the process of energy transition even earlier and began addressing the basic question of quality of the energy we produce? Does it support human progress and the quality of life, or does it kill people and pollute our air, soil and water?

That's what we have to do, and we can do it.

Serbia is in the process of not only working on the National Plan for Climate and Energy, and the Energy Strategy by 2050, but we also want to define the document Fair Transition and Exit from Energy Production from coal.

It includes all aspects of harmful gas emissions into the environment, consequential costs for our economy, energy aspects of the state of TPP, their production and the construction of replacement capacities, measures to increase energy efficiency, but also regional social aspects related to the impact on existing employees, new jobs, and the development of local economies.

The pace of transition must be sustainable, and that is why it is important that we all work together on this. Because not everything we do is about coal, but about clean advanced technologies and raising living standards in healthy green ways.

And it's nothing new that climate change is unfair, and that poor and less developed countries have done very little in combating climate change. But at the same time, these very countries, the less developed, are much more vulnerable and exposed to climate change, which is also clear from the occurrence of floods, droughts, reduction of agricultural production, fires, and lack of access to clean water. We have to have in mind that these countries—and these are also our countries from the region - have far fewer resources to help them adapt and invest in order to protect themselves.

There are many examples showing that all this is possible, and that is why every kind of skepticism is actually more oriented towards daily and political needs than indeed to the vision and strategy of our future development.

Take Greece, which in just 5 years has reduced the share of coal from 25% to 9% this year, and by 2028 this country will have no coal in its energy mix. And a region in Greece, which contributed to over 80% of the coal, will turn to some other ways of making GDP.

Or Romania, for example, which is a neighbor to Serbia, known only for the exploitation of black coal, the industry that employed 120,000 people, has been transformed into a valley of tourism and skiing in the previous 10 years, and one of the closed mines has been turned into a hub for small and medium-sized enterprises, while the other has turned into an optical cable factory. Analyzes say that over 80% of employees found a better-paid job than they had in the mines.

In Serbia, there are two surface mines where lignite is exploited, and nine underground exploitation mines with black coal, employing 19500, i.e. 0.85% of total number of employees (2,284,284). The most common age of employees in coal mines and TPPs is between 51 and 60. Older than 40 make up over 70% of employees.

Serbia, as it is known, dominantly receives electricity precisely from low-calorie lignite, with a lot of sulfur, ash and moisture. The cost of exploitation and production of electricity far exceeds both the retail value and the price of sustainable development.

Production of electricity from EPS power plants for 2021 was 23,700,000 MWh and CO₂ emissions about 30,000,000 t

For the production of one MWh we need 1.2-1.5 t of lignite, and a tonne of lignite at combustion produces about 1.2 t of CO₂.

Over the last 15 years, the total damage caused by climate change in Serbia has amounted to over EUR 6 billion, of which 70% is because of droughts and high temperatures, floods.

The just transition of our region is our reality, from the commitment to limit national emissions to the very process of carrying out the transition. We can no longer afford a carbon-intensive industry, and only those who are unaware of the environmental, energy and economic costs can continue to call new technologies and green energy “green jihad”.

That is why regions rich in coal and lignite now face the greatest challenges of this transition, but also of the tremendous possibilities of a new growth model. Our task is to be open, honest and transparent, to speak with arguments from the very beginning, and to build and go through this process together.