

The importance of energy security, highlighted by the continued utilization of old energy sources and exploration for new ones, is a topic of great significance for the Balkans, in the light of the scarcity of resources such as oil and uncertain consequences of nuclear energy. Although Bosnia & Herzegovina has an abundance of energy resources, its policies and strategies have not been sufficient for the long-term planning of energy use.

In fact, despite its energy potential, BiH is far behind its neighbors when it comes to the development of the institutions and strategies in this area, as has been noted by the International Energy Agency.

Bosnia & Herzegovina has abundant resources of two traditional energy sources: coal and water. Some 55% of generated power is thermo-electric, while the remaining 45% is hydro-electric, according to the European Association for Coal and Lignite. Coal is the main source of energy in Bosnia, including dark coal, lignite and treset. It is produced from local mines throughout the country and the estimated reserves are more than six billion tons.

Hydropower has great possibility for further development, as only one-third of its potential has been utilised. When it comes to the European countries, Bosnia is in the 8th place with its hydro-potential.

However, at present small power plants are mostly being built and used. Foreign companies are however looking into utilizing the water wealth of BiH for power generation. The prime example here is Canada