

Energy from coal currently represents the most dominant primary source of energy in the region. In Serbia, two-thirds of total electricity comes from coal. Coal is also important support of power systems in the region. Western Balkans countries, the signatories of the Agreement on foundation of the Energy Community, will have to prepare for the implementation of the Large Combustion Plant Directive. The Directive has an essential importance for the members of the Energy Community and it determines the ELV of the air pollutants for the large combustion plants. According to the Decisions enacted by the Energy Community Ministerial Council, closing the thermal capacities not meeting high environmental standards has been delayed until 2027. The implementation of the European environmental standards involves a substantial change of the current predominant way of economy, as well as large-scale investments.

But even if the considerable investments were made in renewable energy sources, requiring significant investments, the amount of electricity produced from renewable energy sources could not be compared with the amount of energy that can be produced in coal-fired thermal power plants.

Coal and thermal power plants are real future perspective, both in Serbia and other countries in the region. It is necessary to invest in the modernization of coal mines, rehabilitation and modernization of the existing power facilities, as well as the construction of the new power facilities. In the Western Balkans countries, the implementation of projects for construction of new power plants is in progress. Hereinafter, an overview of the most important projects in the countries of the region is given.

The development of TPP "Stanari", of capacity 300MW in Bosnia and Herzegovina has officially started in mid-2013. Together with modernization of coal mine "Stanari", connection to the transmission network, construction of accompanying facilities and infrastructure, around 600 million Euros will be invested in this project. 80% of the funds required for thermal power plant construction is provided from the loan of Chinese development bank, and the remaining 20 % has been obtained by the energy company EFT group and consortium of business banks. The realization of this project has been initiated in 2005. This thermal power plant will be the first power structure in BiH that will operate in accordance with the EU Directives (2001/80/EC) on environmental protection. Annually, 2000 GWh of electricity will be generated and EFT group will dispose of it.

Another significant investment for BiH will be the construction of the power unit 8 in the thermal power plant "Kakanj", of installed power 300MWh. The commencement of the construction was planned for 2015. The total value of the investment amounts to around 600 million euros, and the Chinese emerged as a possible strategic partner for this project. Also in TPP "Tuzla" the construction of the new replacement power unit 7 was planned, of installed power 450MW.

The thermal power plant "Ugljevik 3", of 2x300MW power, is the continuation of the

previously commenced construction of the power capacities within Ugljevik Mining basin. The construction of the third power unit of TPP in Ugljevik is the biggest project of this kind in BiH. In media, there appeared the information that the realization of this project has been jeopardized due to unrealistically high price for expropriation of land of the future mines, but also due to depth at which coal reserves lay. However, the possibility of coal pit exploitation is being currently considered, being much cheaper and efficient. The largest Russian investment in BiH is actually the construction of this TPP, and it amounts to 750 million euros. The contract was signed in 2011, and the government of BiH will have 10 % of the ownership share, while the rest will be allocated to the Russian company headed by the businessman, Mr. Rašid Serdarov.

The list of candidates for potential strategic partners for financing and construction of thermal power plant "Banovići" has been recently made, after more than two months of the public invitation being opened. As it was announced, the signing of the agreement with the chosen partner was expected to take place somewhere in the middle of the following year. The projected installed power of TPP is some 300 MW, and the total yearly production is around 2000 GWh of electricity. The power plant will be supplied by the coal from mine "Banovići". The Government of Bosnia and Herzegovina decided that the construction of TPP "Banovići" was within the plan for construction of energy facilities for the period 2010 - 2018. The chosen strategic partner is expected to provide financing and the construction of thermal power plant which is 100% owned by the Lignite mine "Banovići". The loan will be repaid under the conditions agreed upon by the Agreement with the chosen strategic partner. The Government of Bosnia and Herzegovina declared this project as a project of public interest and priority electric energy facility in Bosnia and Herzegovina.

In Montenegro, the current project is TPP "Pljevlja 2", and the companies from Czech Republic, China and Slovakia are interested for its realization. As it has been announced to the media, the construction of second power unit should contribute to the mitigation of air pollution in Pljevlja, which would be the result of setting up a highly efficient cooling tower, which will contribute to the energy stability of the country. TPP is planned to have the installed power of 220 to 300 MW and to be built at the location of the existing thermal power plant.

Lignite fired thermal power plants "Bitola" and "Oslomej" produce some 77 percent of total quantity of electricity in Macedonia. Macedonian Government also plans the construction of new thermal power plant in Mariovo, the installed power of which would be 300 MW, but they are still waiting for the potential investors.

One of the priorities of Croatian Government is building the third power unit of thermal power plant "Plomin", the power 500 MW, which will replace power unit "A". Three consortiums applied for this project which is the greatest project in last thirty years and is 800 million EUR worth. Even though the names of the bidders are officially kept secret, the

Croatian media provided the information that, at the recently organized tender, the bidders were „Daewoo” with partners, consortium “Samsung” and “Edison” and the third bidder was “Marubeni” with “Alstom”. The Croatian Government should choose the most convenient bidder by September, and it is expected that the realization of the project be initialized in 2015.

When it comes to the construction of the power plants in Serbia, one of the main topics is TPP “Kolubara B”. The construction of this power plant began 25 years ago and that long, not a single power plant was built in Serbia. The plant capacity is 750 MW, and the value of the project amounts to 1.8 billion euros. In 2011, EPS signed an agreement on strategic cooperation with the Italian company EDISON, but nothing specifically has been done on this project for three years. At the beginning of 2014, when the Chinese representative office was opened in Ub, the Chinese have emphasized the interest in investing in the TPP “Kolubara B” as well as in opening of the new open pit mine “Radljevo”, from which the TPP would be supplied with coal. There is no official information when it will start, i.e proceed with the construction of the “Kolubara B”, or whether the Chinese would get the opportunity to invest in the mentioned projects.

The largest coal consumer in the world is China, and the conducted researches show that it is the Chinese economy that is the most influential in the world. Perhaps, the government in the region should create more favorable conditions in order to attract the Chinese investors, since they are more than just interested in the investing in mining sector in the Balkans. Construction of the new power plants is of great importance for the countries in the region. Given the part that coal has in electricity production and its immeasurable importance for the power system of countries in region, the coal has a certain future. Provided that it meets all the general environmental protection measures, along with the modernization and introduction of the modern technologies, the coal will remain the leading energy source, regardless of all European tales about the renewable energy.